

# **Oracle® Internal Controls Manager**

Implementation Guide

Release 12

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Oracle Internal Controls Manager Implementation Guide, Release 12

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## Oracle Internal Controls Manager Implementation Guide, Release 12

### Part No. B31593-01

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# Preface

## Intended Audience

Welcome to Release 12 of the *Oracle Internal Controls Manager Implementation Guide*.

This guide assumes you have a working knowledge of the following:

- The principles and customary practices of your business area.
- Computer desktop application usage and terminology

If you have never used Oracle Applications, we suggest you attend one or more of the Oracle Applications training classes available through Oracle University.

See Related Information Sources on page xiv for more Oracle Applications product information.

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## **Structure**

- 1 Introduction to Oracle Internal Controls Manager**
- 2 Processes and Organizations in Oracle Internal Controls Manager**
- 3 Process Approvals & Change Management**
- 4 Risks and Controls in Oracle Internal Controls Manager**
- 5 Audit Procedures in Internal Controls Manager**
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## **Related Information Sources**

This document is included on the Oracle Applications Document Library, which is supplied in the Release 12 DVD Pack. You can download soft-copy documentation as PDF files from the Oracle Technology Network at <http://otn.oracle.com/documentation>, or you can purchase hard-copy documentation from the Oracle Store at <http://oraclestore.oracle.com>. The Oracle E-Business Suite Documentation Library Release 12 contains the latest information, including any documents that have changed

significantly between releases. If substantial changes to this book are necessary, a revised version will be made available on the online documentation CD on Oracle *MetaLink*.

If this guide refers you to other Oracle Applications documentation, use only the Release 12 versions of those guides.

For a full list of documentation resources for Oracle Applications Release 12, see Oracle Applications Documentation Resources, Release 12, Oracle *MetaLink* Document 394692.1.

### Online Documentation

All Oracle Applications documentation is available online (HTML or PDF).

- **PDF** - PDF documentation is available for download from the Oracle Technology Network at <http://otn.oracle.com/documentation>.
- **Online Help** - Online help patches (HTML) are available on Oracle *MetaLink*.
- **Oracle MetaLink Knowledge Browser** - The Oracle *MetaLink* Knowledge Browser lets you browse the knowledge base, from a single product page, to find all documents for that product area. Use the Knowledge Browser to search for release-specific information, such as FAQs, recent patches, alerts, white papers, troubleshooting tips, and other archived documents.
- **Oracle eBusiness Suite Electronic Technical Reference Manuals** - Each Electronic Technical Reference Manual (eTRM) contains database diagrams and a detailed description of database tables, forms, reports, and programs for a specific Oracle Applications product. This information helps you convert data from your existing applications and integrate Oracle Applications data with non-Oracle applications, and write custom reports for Oracle Applications products. Oracle eTRM is available on Oracle *MetaLink*.

### Related Guides

You should have the following related books on hand. Depending on the requirements of your particular installation, you may also need additional manuals or guides.

#### **Oracle Applications Installation Guide: Using Rapid Install:**

This book is intended for use by anyone who is responsible for installing or upgrading Oracle Applications. It provides instructions for running Rapid Install either to carry out a fresh installation of Oracle Applications Release 12, or as part of an upgrade from Release 11i to Release 12. The book also describes the steps needed to install the technology stack components only, for the special situations where this is applicable.

#### **Oracle Applications Upgrade Guide: Release 11i to Release 12:**

This guide provides information for DBAs and Applications Specialists who are responsible for upgrading a Release 11i Oracle Applications system (techstack and products) to Release 12. In addition to information about applying the upgrade driver,

it outlines pre-upgrade steps and post-upgrade steps, and provides descriptions of product-specific functional changes and suggestions for verifying the upgrade and reducing downtime.

#### **Oracle Applications Patching Procedures:**

This guide describes how to patch the Oracle Applications file system and database using AutoPatch, and how to use other patching-related tools like AD Merge Patch, OAM Patch Wizard, and OAM Registered Flagged Files. Describes patch types and structure, and outlines some of the most commonly used patching procedures. Part of Maintaining Oracle Applications, a 3-book set that also includes Oracle Applications Maintenance Utilities and Oracle Applications Maintenance Procedures.

#### **Oracle Applications Maintenance Utilities:**

This guide describes how to run utilities, such as AD Administration and AD Controller, used to maintain the Oracle Applications file system and database. Outlines the actions performed by these utilities, such as monitoring parallel processes, generating Applications files, and maintaining Applications database entities. Part of Maintaining Oracle Applications, a 3-book set that also includes Oracle Applications Patching Procedures and Oracle Applications Maintenance Procedures.

#### **Oracle Applications Maintenance Procedures:**

This guide describes how to use AD maintenance utilities to complete tasks such as compiling invalid objects, managing parallel processing jobs, and maintaining snapshot information. Part of Maintaining Oracle Applications, a 3-book set that also includes Oracle Applications Patching Procedures and Oracle Applications Maintenance Utilities.

#### **Oracle Applications Concepts:**

This book is intended for all those planning to deploy Oracle E-Business Suite Release 12, or contemplating significant changes to a configuration. After describing the Oracle Applications architecture and technology stack, it focuses on strategic topics, giving a broad outline of the actions needed to achieve a particular goal, plus the installation and configuration choices that may be available.

#### **Oracle Daily Business Intelligence Implementation Guide:**

This guide describes how to implement Oracle Daily Business Intelligence, including information on how to create custom dashboards, reports, and key performance indicators.

#### **Oracle Daily Business Intelligence User Guide:**

This guide describes how to use the preseeded Daily Business Intelligence dashboards, reports, and key performance indicators.

#### **Oracle Embedded Data Warehouse User Guide:**

This guide describes how to use Embedded Data Warehouse reports and workbooks to analyze performance.

#### **Oracle Embedded Data Warehouse Implementation Guide:**



This guide describes how to implement Embedded Data Warehouse, including how to set up the intelligence areas.

**Oracle Embedded Data Warehouse Install Guide:**

This guide describes how to install Embedded Data Warehouse, including how to create database links and create the end user layer (EUL).

**Oracle Enterprise Performance Foundation User's Guide:**

This guide describes Oracle Enterprise Performance Foundation, an open and shared repository of data and business rules that provides the framework for all of the applications in the Corporate Performance Management set of products. It describes the product features that allow you to manage repository metadata and enable you to generate management reports and perform analyses.

**Oracle Enterprise Planning and Budgeting User's Guide:**

This guide describes Enterprise Planning and Budgeting, which is an enterprise application that provides rich functionality to control the business processes of planning, budgeting, and forecasting. Enterprise Planning and Budgeting is deployed as a Web based solution using the power of Oracle relational technology to deliver scalable, multi-dimensional analysis and monitoring.

**Oracle Financial Consolidation Hub User Guide:**

This guide describes how to set up, maintain, and troubleshoot Oracle Financial Consolidation Hub. It describes setting up entities, categories, consolidation methods, consolidation rules, intercompany rules, calendar maps, translation, consolidation hierarchies, analytical reporting, and the Excel add-in. The guide also includes chapters on submitting data, running consolidations, accounting for acquisitions and disposals, integrating with Internal Controls Manager and WebADI spreadsheets.

**Oracle Financials Concepts Guide:**

This guide describes the fundamental concepts of Oracle Financials. The guide is intended to introduce readers to the concepts used in the applications, and help them compare their real world business, organization, and processes to those used in the applications.

**Oracle Financials Glossary:**

The glossary includes definitions of common terms that are shared by all Oracle Financials products. In some cases, there may be different definitions of the same term for different Financials products. If you are unsure of the meaning of a term you see in an Oracle Financials guide, please refer to the glossary for clarification. You can find the glossary in the online help or in the *Oracle Financials Implementation Guide*.

**Oracle Financials Implementation Guide:**

This guide provides information on how to implement the Oracle Financials E-Business Suite. It guides you through setting up your organizations, including legal entities, and their accounting, using the Accounting Setup Manager. It covers intercompany accounting and sequencing of accounting entries, and it provides examples.

**Oracle Financials RXi Reports Administration Tool User Guide:**

This guide describes how to use the RXi reports administration tool to design the content and layout of RXi reports. RXi reports let you order, edit, and present report information to better meet your company's reporting needs.

**Oracle General Ledger Implementation Guide:**

This guide provides information on how to implement Oracle General Ledger. Use this guide to understand the implementation steps required for application use, including how to set up Accounting Flexfields, Accounts, and Calendars.

**Oracle General Ledger Reference Guide**

This guide provides detailed information about setting up General Ledger Profile Options and Applications Desktop Integrator (ADI) Profile Options.

**Oracle General Ledger User's Guide:**

This guide provides information on how to use Oracle General Ledger. Use this guide to learn how to create and maintain ledgers, ledger currencies, budgets, and journal entries. This guide also includes information about running financial reports.

**Oracle Projects Documentation Set****Oracle Projects Implementation Guide:**

Use this manual as a guide for implementing Oracle Projects. This manual also includes appendixes covering security functions, menus and responsibilities, and profile options.

**Oracle Projects Fundamentals:**

Oracle Project Fundamentals provides the common foundation shared across the Oracle Projects products (Project Costing, Project Billing, Project Resource Management, Project Management, and Project Portfolio Analysis). Use this guide to learn fundamental information about the Oracle Projects solution. This guide includes a Navigation Paths appendix. Use this appendix to find out how to access each window in the Oracle Projects solution.

**Oracle Project Costing User Guide:**

Use this guide to learn detailed information about Oracle Project Costing. Oracle Project Costing provides the tools for processing project expenditures, including calculating their cost to each project and determining the GL accounts to which the costs are posted.

**Oracle Project Billing User Guide:**

This guide shows you how to use Oracle Project Billing to define revenue and invoicing rules for your projects, generate revenue, create invoices, and integrate with other Oracle Applications to process revenue and invoices, process client invoicing, and measure the profitability of your contract projects.

**Oracle Project Management User Guide:**

This guide shows you how to use Oracle Project Management to manage projects

through their lifecycles -- from planning, through execution, to completion.

**Oracle Project Portfolio Analysis User Guide:**

This guide contains the information you need to understand and use Oracle Project Portfolio Analysis. It includes information about project portfolios, planning cycles, and metrics for ranking and selecting projects for a project portfolio.

**Oracle Project Resource Management User Guide:**

This guide provides you with information on how to use Oracle Project Resource Management. It includes information about staffing, scheduling, and reporting on project resources.

**Oracle Projects Glossary:**

This glossary provides definitions of terms that are shared by all Oracle Projects applications. If you are unsure of the meaning of a term you see in an Oracle Projects guide, please refer to the glossary for clarification. You can find the glossary in the online help for Oracle Projects, and in the Oracle Projects Fundamentals book.

## **Integration Repository**

The Oracle Integration Repository is a compilation of information about the service endpoints exposed by the Oracle E-Business Suite of applications. It provides a complete catalog of Oracle E-Business Suite's business service interfaces. The tool lets users easily discover and deploy the appropriate business service interface for integration with any system, application, or business partner.

The Oracle Integration Repository is shipped as part of the E-Business Suite. As your instance is patched, the repository is automatically updated with content appropriate for the precise revisions of interfaces in your environment.

## **Do Not Use Database Tools to Modify Oracle Applications Data**

Oracle **STRONGLY RECOMMENDS** that you never use SQL\*Plus, Oracle Data Browser, database triggers, or any other tool to modify Oracle Applications data unless otherwise instructed.

Oracle provides powerful tools you can use to create, store, change, retrieve, and maintain information in an Oracle database. But if you use Oracle tools such as SQL\*Plus to modify Oracle Applications data, you risk destroying the integrity of your data and you lose the ability to audit changes to your data.

Because Oracle Applications tables are interrelated, any change you make using an Oracle Applications form can update many tables at once. But when you modify Oracle Applications data using anything other than Oracle Applications, you may change a row in one table without making corresponding changes in related tables. If your tables get out of synchronization with each other, you risk retrieving erroneous information and you risk unpredictable results throughout Oracle Applications.

When you use Oracle Applications to modify your data, Oracle Applications automatically checks that your changes are valid. Oracle Applications also keeps track of who changes information. If you enter information into database tables using database tools, you may store invalid information. You also lose the ability to track who has changed your information because SQL\*Plus and other database tools do not keep a record of changes.

---

# Introduction to Oracle Internal Controls Manager

This chapter covers the following topics:

- Introduction
- Corporate Governance
- Overview of Oracle Internal Controls Manager
- Setup of Oracle Internal Controls Manager
- Application Controls Monitoring
- Integration with E-Business Suite Applications
- Responsibilities in Oracle Internal Controls Manager

## Introduction

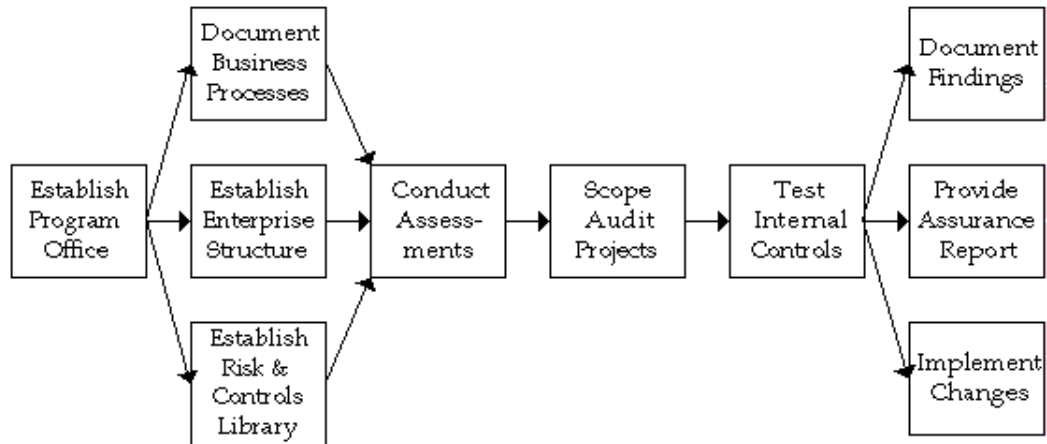
Oracle Internal Controls Manager is a comprehensive tool for executives, controllers, internal audit departments, and public accounting firms to document and test internal controls and monitor ongoing compliance. It is based on COSO (Committee of Sponsoring Organizations) standards.

In many countries, governmental regulations apply to the testing and reporting of corporate internal controls. For example, in the United States, the Sarbanes-Oxley Act of 2002 makes reporting on a company's internal control mandatory for both management and external auditors.

This chapter provides an introduction to corporate governance and the Oracle Internal Controls Manager.

## Corporate Governance

The following diagram provides a high level overview of a generic corporate governance business flow:



As shown in the above figure, corporate governance generally includes a series of tasks that must be performed in any organization.

## Establish a Program Office

The program office is typically authorized by the most senior executives in the enterprise. The program office establishes internal and external oversight responsibility and sets the parameters under which other offices will operate. These parameters will include the dates and milestones by when internal controls need to be in place as well as the personnel in the organization whose involvement is critical for compliance. Specific Audit Engagements can be undertaken either as a scheduled activity or as the result of trigger events.

A critical task of the program office is to establish a framework that will be used to assess and manage the entity's risk as well as the controls mitigating that risk. The COSO framework is the most prevalent framework for assessing the effectiveness of an organization's internal controls.

## Establish Enterprise Structure

Establish an organization structure that allows segregation of duties and alerts management of possible infringements. This exercise will also result in identifying specific departments that must be analyzed for compliance.

## Document Business Processes

Identify and analyze all the business processes that are specific to a particular entity within the enterprise. A review of the entity's procedure manuals, interviews, and replicating existing procedures will often highlight the business processes involved. These processes must also be mapped to key financial accounts to provide reasonable assurance regarding the reliability of financial statements.

## Establish a Risk and Controls Library

Create a library of all the recurring risks to which business process within the entity are exposed. To create this risk library auditors must take factors such as the business structure and control environment into consideration. Though some financial, operational, and disclosure risks are specific to an entity, a business process is typically subject to the following types of risk:

- Recorded transactions are valid. For example, sales are for shipments made to non fictitious customers.
- Transactions are authorized. For example, payments are made for approved orders.
- Transactions are correctly valued. For example, sales are recorded for the correct amount of goods shipped.
- Transactions are properly classified. For example sales transactions are included in the correct accounts and properly summarized.
- Transactions are recorded at the proper time. For example, sales are recorded on a timely basis.
- Transactions are free from omissions and mistakes. For example, all sales that have taken place are recorded.

The library also consists of internal controls set up to mitigate process risk. Analyze the internal controls of the entity that are currently in place and add them to the controls library.

Control procedures generally fall into the following five categories:

- Adequate separation of duties
- Maintaining an audit trail through adequate documents and records
- Procedures for authorization
- Control over assets and records
- Independent checks on performance

Auditors often create a matrix that links an entity's financial, operational, and disclosure risk to the internal controls currently in place. Where necessary, propose new internal controls or modify existing controls to mitigate risk.

## Conduct Assessments

Once an auditor has obtained an overview of the design and operation of the internal

control structure (through an investigation of processes, risks, and controls), an assessment of control risk must be made. This assessment will determine the extent of audit work that must be performed to test internal controls.

The assessment of control risk is usually conducted by detailed control objective for each major type of transaction. This will include collecting data for key processes such as:

- Acquisition and payment
- Sales and collection
- Production & inventory
- Processes related to employees
- Capital acquisition, depreciation, and repayment
- Processes related to debt and investment portfolios

While making assessments, it is also critical that you monitor issues from whistle blowers. These can be suppliers, customers & employees. Periodically, a survey can be conducted for concerned stakeholders to obtain their opinion on the adequacy of internal controls.

Finally, document the results of your assessment evaluations.

## **Scope Audit Engagements**

Identify the nature of the audit project, the scope of testing, and the resources required.

## **Test Internal Controls**

As a prerequisite to testing, it is important to define key metrics for evaluating internal controls. Audit procedures can then be designed to test whether internal controls are effective and operating as designed. Ensure that the internal controls are being tested on a sample that is representative of the population.

## **Document Results and Provide Audit Opinions and Reports**

Document all audit procedures and their results. Based on these results, auditors issue opinions and reports. It is useful to integrate results and alerts into the disclosure and reporting cycle.

Evaluations and results must be communicated to the audit committee and independent auditor regarding issues such as the following:

- Control Deficiencies



- Fraud
- Material Weaknesses

## **Implement Changes**

Based on the audit results, you can propose new internal controls or modify existing controls to improve their effectiveness in mitigating risk.

## **Overview of Oracle Internal Controls Manager**

As a key module of Oracle's Internal Control Applications, Oracle Internal Control Manager is a comprehensive audit tool that offers web based risk and audit management features. The module can be used by executives, controllers, internal audit departments, and public accounting firms to document and test internal controls and monitor ongoing compliance.

With Oracle Internal Controls Manager, your company can increase internal control testing efficiency, improve risk assessment confidence, and lower external audit verification costs. Use the application's intuitive workbench to organize, execute, and manage audit activities like the following:

- Define standard business processes
- Set up risks to which processes are exposed
- Set up controls that can mitigate process risk
- Set up the Organization Structure (Auditable Units) and map processes to this structure
- Record your assessment of the organization's compliance with established controls and regulations
- Create audit procedures to verify controls
- Review the compliance of your business processes/systems and record audit results.

## **Setup of Oracle Internal Controls Manager**

This section provides a brief overview of the tasks that you must complete to set up and execute audits using the Oracle Internal Controls Manager application.

### **Define Standard Business Processes**

Use Oracle Internal Controls Manager to create processes that accurately reflect your

enterprise's business flows. Processes can be authored using Oracle Tutor (preferred) or Oracle Workflow, both of which integrate with Oracle Internal Controls Manager.

**Note:** For more details, refer to Processes and Organizations in Oracle Internal Controls Manager, page 2-1 and Business Process Change Management, page 3-1

## Set Up a Risk and Controls Library

The risk library consists of processes and risks, as well as the policies, procedures, and activities that allow an organization to address those risks.

**Risks:** Use Oracle Internal Controls Manager to create and maintain a library of reusable risks that can then be associated with business process in the organization.

**Controls:** Set up controls that can mitigate process risk.

Risk libraries can consist of content from external sources. If you decide to implement a partner's library, Oracle Internal Controls Manager includes a spreadsheet interface that allows third party content to be imported.

To maintain the integrity of information within the risk library, creation or modification of library items in Oracle Internal Controls Manager is controlled by an approval process.

**Note:** For more details, refer to:

Risks and Controls, page 4-1

Audit Procedures, page 5-1

Risk Library Change Control., page 6-1

## Set up the Organization Structure (Auditable Units) and map processes to this structure

The entire setup of Oracle Internal Controls Manager is done within the context of "Auditable Units." An Auditable Unit is a special category of an Oracle organization.

**Note:** For more details, refer to Processes and Organizations in Oracle Internal Controls Manager., page 2-1

## Record Your Assessment of the Organization's Compliance with Established Controls and Regulations

With respect to testing controls, as well as other tests like tests of details of balances, the amount of procedural work performed in an audit depends to a large extent on an auditor's assessment of the organization's internal control structure and compliance

with established controls and regulations.

Oracle Internal Controls Manager enables you to incorporate an assessment of the organization regarding its internal control structure and compliance. The assessment is made with respect to:

- Predefined components affecting the organization's audit environment
- A particular organizational context

**Note:** For more details, refer to Assessments in Oracle Internal Controls Manager., page 7-1

## Create Audit Procedures to Verify Controls

Audit procedures provide detailed steps to be performed during audit fieldwork. They are designed to achieve specific audit objectives by validating the effectiveness of controls, in terms of their design, as well as their operation. In Oracle Internal Controls Manager, you can create audit procedures and associate them with the controls that the procedures are supposed to verify.

**Note:** For more details, refer to Audit Procedures in Internal Controls Manager, page 5-1.

## Set up Audit Engagements to Manage Audit Assignments

Internal audits in organizations are usually managed as projects and audit procedures typically translate into tasks within these projects. Once you have reviewed compliance and completed the audit, Oracle Internal Controls Manager enables you to record your evaluations and audit opinions.

**Note:** For more details, refer to Audit Engagements in Oracle Internal Controls Manager., page 8-1

## Test for Segregation of Duties Violations

Oracle Internal Controls Manager enables you to identify any combination of tasks in an enterprise as incompatible. Access to more than one task from a set of such tasks allows a user the opportunity for misconduct. An individual in the enterprise with access to more than one of these tasks is therefore in violation of a segregation of duties standard.

The application enables the proactive monitoring of incompatible tasks and reports those occurrences where a single person has access to them.

**Note:** For more details, refer to Segregation of Duty Constraints., page 9-1

## Set up Business Process Certifications

Process certification requires process owners to provide assurance that their organization's processes are in compliance with the standard(s) utilized as the basis of the firm's management system. It includes a series of rigorous audits and other activities to provide assurance that the organization's processes are adequate and effective.

Successful completion of an audit and any related follow-up activities which may be required results in the process being "certified." The certification attests to the process meeting the requirements of the applicable standard. External auditors seek objective evidence of such a system being established and effectively implemented prior to issuance of financial statements.

Oracle Internal Controls Manager provides an elaborate mechanism to certify your business processes. You can use the results of Audit Engagements executed in the application as a basis for the certification.

**Note:** For more details, refer to Process Certification., page 10-1

## Set up Financial Statement Certifications

The financial audit is conducted to determine whether a firm's financial statements are in compliance with specified criteria, typically generally accepted accounting principles. Oracle Internal Controls Manager enables you to use audit evaluations and process certifications to certify your financial statements.

**Note:** For more details, refer to Financial Statement Certification., page 11-1

## Record, Track, and Resolve Findings

During the audit process, non-conformities to established standards are often discovered and these anomalies are identified as "Findings." They are typically items of material concern that violate sound accounting practice and accountability.

A certification cannot be issued until all Findings are effectively addressed and remedied. Oracle Internal Controls Manager allows you to record and track Findings that come to light during the execution of your Audit Engagements.

**Note:** For more details, refer to Findings in Oracle Internal Controls Manager., page 12-1

## Run Control Reports

The application provides predefined risk library reports that enable you to periodically verify the accuracy and integrity of the processes and objects that are present in your risk library.

## Setup Extensible Attributes

Users interact with a variety of risk library objects while monitoring ongoing compliance using Oracle Internal Controls Manager. It is necessary and useful to capture and track additional and unique data associated with these objects. The application provides you with this ability in the form of Extensible Attributes.

These are user defined attributes that serve to capture additional information associated with risk library objects. Entries for these attributes can be validated against predefined value sets.

**Note:** For more details, refer to Extensible Attributes in Oracle Internal Controls Manager., page 14-1

## Setup Roles and Privileges

Security in the application is implemented through both

- Function Security (described in the next section)
- Data Security

Data security is at a lower level than function security in that users having access to the same function can view different data sets based on their data access rights. The concept is based on providing access privileges on instances of objects (like processes) to specific users or user groups.

Privileges can be grouped together into an assigned "Role." Oracle Internal Controls Manager seeds a variety of roles corresponding to the object.

**Note:** For more details, refer to Roles and Privileges in Oracle Internal Controls Manager., page 15-1

## Set up Function Security

The Oracle E-Business suite Architecture provides the ability to identify pieces of application logic as functions. The applications system administrator then administers function security by creating responsibilities that include or exclude particular functions.

Oracle Internal Controls Manager provides function security in select windows of the application.

**Note:** For more details, refer to Function Security in Oracle Internal Controls Manager., page 16-1

## Application Controls Monitoring

The following sections refer to the Applications Controls Monitoring feature in Oracle Internal Controls Manager.

### Introduction to Application Controls Monitoring and Governance

The accuracy and reliability of a firm's business processes and financial reporting are to a great extent dependent on the reliability and functioning of its IT systems and control environment. To meet the ongoing demands of assessing the IT control environment and minimize the cost of compliance, IT departments need an automated approach for monitoring and testing IT controls.

The Application Controls Monitoring feature enables companies to effectively and efficiently manage their IT environment by monitoring IT controls within the Oracle E-Business Suite. The application supports a number of high level control objectives within the CobiT framework such as maintaining application software, managing changes, ensuring systems security, and managing configuration.

**Note:** Also refer to the chapter Introduction to Application Controls Monitoring and Governance , page 17-1

### Setup the Application Controls Management feature

Before Application Controls Monitoring can be used to report on changes in application controls, it must be implemented appropriately.

**Note:** For more details, refer to Setup of Application Controls Management., page 18-1

## Administer Application Controls Management

Once the definition of Application Controls Monitoring is complete, you can use the application to query setup changes in your data. Application Controls Monitoring allows you to search for application control values and changes in those values using primarily four criteria:

- Reporting Group
- Application
- User
- Instance

**Note:** For more details, refer to Administer Application Controls Management., page 19-1

## Application Controls Monitoring Implementation Checklist

When you install Oracle Internal Controls Manager, the installation process automatically creates the responsibility "IT Auditor." This responsibility includes the necessary functions to setup and implement the application. Hence as a prerequisite step, setup the appropriate users by assigning them this responsibility for the implementation.

**Note:** For a checklist of tasks that must be executed to complete the implementation of the Application Controls Monitoring feature, refer to Application Controls Monitoring Checklist, page 20-1.

## Seeded Setup Groups and Parameters

The Application Controls Management feature enables IT managers and auditors to track changes to Setup Parameters in several modules within the Oracle E-Business Suite.

This chapter provides a detailed listing of the specific Setup Groups, Applications, and Setup Parameters that can be audited for changes.

**Note:** For more details, refer to Seeded Setup Groups and Parameters., page 21-1

## Integration with E-Business Suite Applications

Oracle Internal Controls Manager is independent of the applications that it tests and validates and can be successfully deployed in any environment (Oracle or non Oracle). However, integration with other modules in the Oracle E-Business suite provides additional benefits as described below.

**Oracle Tutor:** Oracle Tutor is a powerful application for mapping and documenting your business processes and workflows. It offers procedure authoring, automatic flowcharting, and role based publishing. Oracle Tutor also contains predefined business models and flows.

Business processes authored in Tutor can be uploaded into Oracle Internal Controls Manager. The import automatically creates the same processes in Oracle Internal Controls Manager along with a visual diagram of the process flow. Oracle Tutor is the preferred tool for procedure authoring and documentation.

**Oracle Workflow:** Oracle Workflow charts your processes through the E-Business suite, controlling and enforcing the flows that work for your business. It is an active work management tool and serves as the database of business processes and process activities.

Business workflows defined in the Oracle Workflow Builder can be made available as processes in Oracle Internal Controls Manager. You therefore ensure that the process is executed in the way that you set it up.

**Oracle Files:** Oracle Files is a document management tool. Help files and process documentation developed using Oracle Tutor or any other tool can be associated with procedures and applicable processes. Process documentation often becomes the basis for compliance checking performed by auditors.

Oracle Files provides you with document version control, check in, check out, and storage in an Oracle Database.

**Oracle Scripting:** Oracle Scripting is a powerful tool for quickly building questionnaires, easily identifying survey participants, deploying the surveys via e-mail, and allowing respondents to fill out questionnaires via the internet.

By obtaining employee and stakeholder feedback on processes and internal controls, Oracle Scripting helps you to provide an effective control environment and perform high level risk assessments. Use the survey results to help in assessing the extent of audit work to be performed.

Once seeded, survey scripts can be deployed and used with minimal changes. You can review a seeded survey, make organization specific changes, and then redeploy them to collect information from survey participants.

**Corporate Performance Management:** Enterprise performance management encompasses activities like:

- Strategic goal setting and alignment



- Planning, budgeting, forecasting and modeling
- Operational analytics and reporting

Several Oracle products make up the Corporate Performance Management framework. These include applications like Oracle Financial Analyzer, Sales Analyzer and Performance Analyzer, Oracle Activity Based Management, Oracle Balanced Scorecard, and Oracle Daily Business Intelligence.

By setting process control limits within these applications, the performance management framework allows you to constantly monitor your business processes and notify you of exceptions that may warrant audit work.

Oracle Project Applications: By creating your audit procedures as projects set up in Oracle Projects, you get all the benefits of the Oracle Projects family of applications. These applications include

- Oracle Project Management
- Oracle Project Costing
- Oracle Project Resource Management
- Oracle Project Collaboration
- Oracle Project Intelligence

Oracle Approvals Management: The integration with Oracle Approvals Management enables a formal approval of risks, controls, and audit procedures. Approval is required for the creation and modification of these risk library objects. There is no requirement to customize any application code.

These rules are setup in Oracle Approvals Management and determine who must approve a risk library object before it can be used. Approvers can be one or more individuals in a hierarchy.

Other Oracle E-Business Suite modules: If your environment includes Oracle E-Business suite applications like Oracle Payables, Oracle Receivables, etc., several internal controls in those modules are made available to Oracle Internal Controls Manager by Oracle development.

**Note:** For more information, refer to Automation Type, Application, and Control Source, page 4-15.

To enable the certification of financial statements, accounts within FSG Reports are automatically made available to Oracle Internal Controls Manager. Financial Statement Generator (FSG) is a powerful ad hoc reporting tool and is a component of the Oracle General Ledger module.

## Responsibilities in Oracle Internal Controls Manager

The Oracle Internal Controls Manager is pre-seeded with several responsibilities that are used to access the application. The following tables provide more details on these responsibilities.

The table below lists the Oracle Internal Controls Manager responsibilities along with their contextual details and relevant chapters:

<b>Name of Pre-seeded Responsibility</b>	<b>Contextual Information</b>	<b>Chapter</b>
Business Process Owner	Process Variations and Exceptions, Process Certifications, Issues and Remediations	Chapters 10, 12, 14 - 16
Business Unit Certifier	Process Variations and Exceptions, Process Certifications, Issues and Remediations	Chapters 10, 12, 14 - 16
Disclosure Committee	Manage disclosure committees	Chapter 12
Global Operations Controller	Process Certifications, Issues and Remediations	Chapters 10, 12, 14 - 16
Incidents Administrator	Issue Management	Chapter 12
Incidents Analyst	Process issues	Chapter 12
Information Technology Super User (Forms)	Oracle Internal Controls Manager related Profiles, Concurrent Requests, and Lookups.	All relevant setups
Internal Auditor	Assessments, Audit Engagements, Segregation of Duty Violations, Findings and Remediations	Chapters 7, 8, 9, 12 14 - 16
Internal Controls Manager Super User (Forms)	Oracle Internal Controls Manager related Profiles and Lookups	All relevant setups

Name of Pre-seeded Responsibility	Contextual Information	Chapter
Internal Controls Manager Super User (SSW)	Business Processes, Risk and Controls Library, Assessments	Chapters 2 - 6, 14 - 16
IT Auditor	Application Controls Monitoring	Chapters 17 - 21
Signing Officer	Financial Statement Certification, Issues and Remediations	Chapters 11, 12, 14 - 16

**Note:** For more details on security within Oracle Internal Controls Manager, refer to Roles and Privileges in Oracle Internal Controls Manager, page 15-1 and Function Security in Oracle Internal Controls Manager, page 16-1.

The following tables displays a matrix of responsibilities and menu items in Oracle Internal Controls Manager:

MENU ITEMS	Business Process Owner	Business Unit Certifier	Global Operations Controller	Incidents Administrator	Incidents Analyst
Create Process Certifications			X		
Review Process Certifications	X	X	X		
Certify Processes	X	X	X		
Create and Track Issues	X	X	X		

<b>MENU ITEMS</b>	<b>Business Process Owner</b>	<b>Business Unit Certifier</b>	<b>Global Operations Controller</b>	<b>Incidents Administrator</b>	<b>Incidents Analyst</b>
Create and Track Remediation Actions	X	X	X		
View "My Processes"	X	X	X		
Certify Financial Statements					
Create Financial Statement Certifications					
View Audit Evaluations	X	X	X		
View Org specific Process hierarchy	X	X	X		
View Process Certifications	X	X	X		
Conduct Segregation of Duties Violation checks	X	X	X		
Create & Track Findings	X	X	X		
Record Evaluations	X				

<b>MENU ITEMS</b>	<b>Business Process Owner</b>	<b>Business Unit Certifier</b>	<b>Global Operations Controller</b>	<b>Incidents Administrator</b>	<b>Incidents Analyst</b>
Scope Audit Engagements	X	X	X		
Conduct Assessments	X	X	X		
Manage Risk Library	X	X	X		
Plan Organization specific process hierarchy					
Manage Setups	X	X	X		

<b>MENU ITEMS</b>	<b>Information Technology Super User (Forms)</b>	<b>Internal Auditor</b>	<b>Internal Controls Manager Super User</b>	<b>IT Auditor</b>	<b>Signing Officer</b>
Create Process Certifications		X			
Review Process Certifications		X			X
Certify Processes		X			X
Create and Track Issues		X			X

<b>MENU ITEMS</b>	<b>Information Technology Super User (Forms)</b>	<b>Internal Auditor</b>	<b>Internal Controls Manager Super User</b>	<b>IT Auditor</b>	<b>Signing Officer</b>
Create and Track Remediation Actions		X			X
View "My Processes"		X			X
Certify Financial Statements					X
Create Financial Statement Certifications					X
View Audit Evaluations		X			
View Org specific Process hierarchy		X			X
View Process Certifications		X			X
Conduct Segregation of Duties Violation checks		X		X	
Create & Track Findings		X			X
Record Evaluations		X			X

<b>MENU ITEMS</b>	<b>Information Technology Super User (Forms)</b>	<b>Internal Auditor</b>	<b>Internal Controls Manager Super User</b>	<b>IT Auditor</b>	<b>Signing Officer</b>
Scope Audit Engagements		X			
Conduct Assessments		X	X		
Manage Risk Library		X	X		
Plan Organization specific process hierarchy		X	X		
Manage Setups	X	X	X	X	X





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## Processes and Organizations in Oracle Internal Controls Manager

This chapter covers the following topics:

- Introduction
- Overview of Process Setups in Oracle Internal Controls Manager
- Creating Processes Directly Within Oracle Internal Controls Manager
- Importing Process Documents Using Oracle Tutor
- Importing Processes Using Oracle Workflow
- Importing Processes Using Web ADI
- Process Objectives
- Process Attributes
- Associating Documents with Processes
- Linking Key Accounts with Processes
- Organizations in Oracle Internal Controls Manager

### Introduction

A significant portion of the typical internal audit function is associated with the business processes in an enterprise. In addition, auditing standards referenced by most regulatory institutions define internal controls in the context of business processes.

Your first task in setting up Oracle Internal Controls Manager (OICM) is to create processes that accurately reflect your enterprise's business flows.

### Overview of Process Setups in Oracle Internal Controls Manager

The following steps list the tasks you must complete to accurately create your processes

in OICM.

1. Obtain an understanding of the business processes occurring within the enterprise by:
  - Reviewing documentation of current business processes
  - Interviewing business process owners
  - Reviewing standard business flows within the organization
2. Author your processes in OICM using one of the methods listed below:
  - Create processes within the OICM application itself
  - Import processes using Oracle WebADI.
  - You can also bring in processes created in Oracle Tutor (preferred) or Oracle Workflow, both of which integrate seamlessly with OICM.

Process authoring consists of documenting the business processes for an organization. The documented processes are then used for assessing the organization's control environment through an identification of the risks and controls associated with the process. Since most business processes are hierarchical in structure, a process can be documented at several levels and can contain other processes.

Typically, the process owners and their designees do the authoring. Once the documentation is completed, the documented processes can be uploaded into the OICM process library. For processes authored in Oracle Tutor, a graphic image of the process flow can also be displayed to help users visualize the process.

Note that processes from different sources can be integrated together in a hierarchy in OICM.

**Note:** Each of these authoring methods is discussed in detail later in this chapter. Also refer to the Oracle Tutor Author User Manual and the Oracle Workflow User's Guide.

Once created, OICM allows you to enrich the definition of the process by identifying process attributes like process owner, process category, and approval status.

**Note:** For more information, refer to the section Process Attributes, page 2-24.

3. Associate procedure documents with OICM processes.

As part of the audit function, the internal auditor needs to document the business processes within an organization. You can associate these documents with the corresponding processes in OICM.

Oracle Tutor includes a repository of Oracle E-Business Suite procedural content that can be dynamically adapted to your company's unique business processes. With Oracle Tutor, you can author and publish procedural documentation that can be associated with processes in OICM.

**Note:** For more information, refer to Associating Documents with Processes, page 2-28.

4. Link key financial accounts with OICM processes.

Auditing standards require internal controls to provide reasonable assurance regarding the reliability of financial reporting.

By providing a link with general ledger accounts, OICM enables the integration between processes and the elements of financial statements. Through OICM, you can associate each process with multiple financial statement accounts. For example, the Order to Cash process affects the Revenue, Deferred Revenue, Cost of Goods Sold, Finished Goods Inventory, and Accounts Receivable Control accounts.

Since processes are exposed to business risk, the association of key accounts with processes also establishes the link between financial statements items and the risks that they are exposed to. For example, the risk "customer default" would impact the financial statement item "Revenue" through the "Order-To-Cash" process.

**Note:** For more information, refer to Linking Key Accounts with Processes, page 2-31.

5. Load risks, controls, and audit procedures into the risk library and then associate them with your business processes.

Before they can issue audit opinions and compliance reports, auditors need to first execute appropriate audit procedures. These procedures verify the internal controls that have been set up to mitigate risks that the organization's business processes are exposed to.

Therefore risks, controls, and audit procedures must be associated with each other and with processes before an audit opinion can be issued.

**Note:** For more information on linking risks and controls with the processes in OICM, see Setting up Risks in Oracle Internal Controls Manager and Setting up Controls in Oracle Internal Controls Manager.

**Note:** For information on associating audit procedures with controls, see Setting up Audit Procedures in Oracle Internal Controls Manager.

6. Submit and approve processes in OICM.

The verification of business processes which make up an organization is a major portion of the internal audit function. All processes and process revisions are created in Draft status and must be approved before the process or its revision can be used in the system.

When processes are submitted for approval, notifications are sent to all concerned personnel, such as process owners, and recipients of these notifications can review the process or modified process prior to approval.

**Note:** For more information, refer to Process Approvals and Change Management, page 3-1 in OICM.

The OICM application only allows users to view and modify processes that list them as the designated owner or otherwise, that they have appropriate privileges on.

**Note:** For more information, refer to Roles and Privileges in Oracle Internal Controls Manager, page 15-1 and Function Security in Oracle Internal Controls Manager, page 16-1.

7. Map processes in OICM to the organization structure of the enterprise.

As different organizations may perform different processes, OICM allows you to associate specific processes with specific organizations in the enterprise. Note that an organization may be running a slight variation of a standard process. Such variations are justified and subject to approval.

**Note:** For more information, refer to Organizations in Oracle Internal Controls Manager, page 2-36. For detailed information on setting up organizations, refer to Using Oracle HRMS – The Fundamentals.

## Creating Processes Directly Within Oracle Internal Controls Manager

Processes can be created in the Risk Library as follows:

Topic	Navigation Path
To create a child process in the application Risk Library:	<p>Using the Internal Auditor (or equivalent) responsibility, click the Risk Library tab and then the Processes subtab. Click on the parent process.</p> <p>Choose Update from the drop down and click Go</p> <p>Select the Process Activities subtab, then click Add Process Activity.</p>
To create a new top level process:	Click "All Processes" to access the Process Details.

The screenshot shows the 'Update Process Attributes' window for the process 'Employee Expense Reporting' (Process Code: ICM\_81). The window has a navigation bar at the top with tabs: Home, Audit Operations, Segregation of Duties, Organizations, Risk Library, and Setup. Below this is a sub-navigation bar with tabs: Processes, Risks, Controls, Audit Procedures, Significant Accounts, and Import. The main content area has a breadcrumb trail: Risk Library: Processes > Process Details: Employee Expense Reporting >. Below the breadcrumb is a title bar: Update Process Attributes: Employee Expense Reporting. The form contains fields for Process Code (ICM\_81), Display Name (Employee Expense Reporting), and Description. Below these fields is a tabbed interface with tabs: Basic Information, Process Activities, Significant Accounts, Risks/Controls, Controls, Audit Procedures, Organizations, Attachments, and People. The 'Process Activities' tab is selected, showing an 'Add Process Activity' button. Below the tabs is a table with columns: Select Process, Revision, Risks, Controls, Significant, and Standard. The table currently shows 'No results found.' At the bottom right are 'Cancel' and 'Apply' buttons.

In the Add Process window, you select the option Author a New Process. The new process is created as a child to the selected process.

## Process Code and Name

The screenshot shows the 'Create Process' window. The navigation bar at the top is the same as the previous screenshot. The sub-navigation bar has tabs: Processes, Risks, Controls, Audit Procedures, Significant Accounts, and Import. The breadcrumb trail is: Risk Library: Processes > Process Details: Project to Profit > Update Process Attributes: Project to Profit >. Below the breadcrumb is a title bar: Create Process. The form contains fields for Process Code (ICM\_123), Classification (a dropdown menu), Display Name (ICM\_123), Process Category (a dropdown menu), Significant Process (a dropdown menu), Activity Type (a dropdown menu), and Description. At the bottom right are 'Cancel' and 'Apply' buttons.

The application distinguishes the process name and code as follows:

Consider the Approve Purchase Order process. This process may exist in multiple hierarchies and organizations and be associated with different risks and controls, depending on the environment. Hence, there is a need for multiple and different

Approve Purchase Order processes to co-exist in the system.

OICM therefore supports multiple processes with the same name. The application qualifies each process internally with a unique process code, which is the unique identifier of the process. The process code can be user-entered or system generated with a defined prefix.

## Process Attributes

Subsequently complete the setup of the Process by entering its attributes.

**Note:** For detailed information, refer to Process Attributes, page 2-24.

## Importing Process Documents Using Oracle Tutor

Though not required for the implementation of OICM, Oracle Tutor is the preferred procedure authoring and documentation tool. Tutor provides a ready and comprehensive base of procedures that can be easily modified to match your business processes.

In addition, the integration between the two products enables a process that is authored in Oracle Tutor to be easily loaded into OICM. The import automatically creates the OICM processes along with visual diagrams of the process flow.

**Note:** For detailed information on creating and modifying process flows and procedures in Oracle Tutor, refer to the Oracle Tutor Author User Manual.

## To Import Process Documents Using Tutor

To import processes from Tutor into OICM, perform the following tasks:

1. Create your processes in Oracle Tutor.
2. Turn on the Audit mode in Tutor Author Preferences by clicking on Author > Flowchart Preferences > Select Enable Audit Mode > OK.

This setting places the process (RE\_XXXX) fl1 files into the Audit folder. Fl1 is the file format that is readable by OICM and is used to populate the H-grid.

3. From the Tutor/Word menu bar select Author > Flowchart.

This generates a flow chart for the process and also creates a (process name) .fl1 file in the Tutor installed directory/Author/Audit.

4. Verify that the corresponding fl1 file is placed in the /Author/Audit folder.

- In the Risk Library > Process tab of OICM, select the radio button appropriate to the process that will serve as a parent process. The Tutor processes being imported will be created as children of this parent. Note that you can expand the processes shown by clicking Expand All.

The highest level parent in OICM is All Processes. If there are no processes listed, create and import a parent process document, which will define all your high-level processes.

We recommend that you initially load the highest level processes first (for example Procure to Pay and Order to Cash) and then load the subprocesses in sequential order. A parent process can have many child processes associated with it.

Home | Audit Operations | Segregation of Duties | Organizations | Risk Library | Setup

Processes | Risks | Controls | Audit Procedures | Significant Accounts | Import

Risk Library: Processes >

Process Details: All Processes

Process Code: PROCESS  
Revision Number: 1  
Description: All Processes

Classification: Not Defined  
Approval Status: Approved  
Standard Process

Upload Tutor Document [Go]

Process Activities | People

Select Activities | Remove | Add Process Activity | Order Children

Select All | Select None

Select Process	Revision	Status	Risks	Controls	Significant	Standard
<input type="checkbox"/> Procure to Pay	2	Pending Approval	7	11	Yes	Yes
<input type="checkbox"/> Employee Expense Reporting	4	Approved	2	4	Yes	Yes
<input type="checkbox"/> People to Paycheck	1	Approved	0	0	Yes	Yes
<input type="checkbox"/> Accounting to Financial Reports	1	Approved	0	0	Yes	Yes
<input type="checkbox"/> Order to Cash	1	Approved	4	7	Yes	Yes
<input type="checkbox"/> Order to Cash-Variant	1	Approved	2	2	Yes	No
<input type="checkbox"/> COBIT Information Technology Management	3	Approved	62	10	Yes	Yes
<input type="checkbox"/> Contract to Renewal	1	Approved	0	0	Yes	Yes
<input type="checkbox"/> Campaign to Cash	1	Approved	0	0	Yes	Yes
<input type="checkbox"/> Project to Profit	2	Approved	0	0	Yes	Yes

Select Activities | Remove | Add Process Activity | Order Children

- Select Upload Tutor Document from the drop down list and click Go. The Attach link shows existing attachments, if any.
  - By selecting Treat Tutor Processes as New, the application considers duplicate process names as new processes and does not replace those that exist.
  - If the Treat Tutor Processes as New is not checked and the process being added already exists, then the existing process is added as a child of the selected process.

**Note:** if two existing processes have the same name as the process being added, the conversion error out.

- Now click Add and provide the following:
  - A description of the file that is being attached.
  - The category of the attached file. For Tutor documents, this value is "ICM:

Tutor Flow Chart Data."

- Whether the attachment type is a file, URL, or a text file. For Tutor files, select File and then click Browse. In the browse window, go to the Oracle Tutor installed directory /Author/Audit and select the .FL1 file that is associated with the process document (the file name is the same except that it has a .FL1 extension).

Home | Audit Operations | Segregation of Duties | Organizations | Risk Library | Setup

Processes | Risks | Controls | Audit Procedures | Significant Accounts | Import

Risk Library: Processes > Process Details: All Processes > Convert Tutor Document: All Processes >

Add Attachment

Add: Desktop File/ Text/ URL

Cancel Add Another Apply

**Attachment Summary Information**

Title:

Description:

Category: ICM : Flow Chart Diagram

**Define Attachment**

Type: ☒ File ☐ URL ☐ Text

Browse...

**Note:** If you choose to upload a process flow diagram from Tutor at this time, click Add Another and follow the directions given in Step 4 of the section To Import Process Flow Diagrams using Tutor.

8. Import the Tutor document as follows:
  - Click Finish to complete the addition of the file. The window shows a summary of attachments for the selected process or procedure.
  - Click Return to return to the Processes window.
  - Click Apply to apply the changes.
  - Click Convert to load the new process. This launches a concurrent process with a request ID.
9. When the concurrent process has completed, you can view the imported processes in the Risk Library window under the Processes tab.
10. If the changes are not visible, go to the Forms menu and find the concurrent request with the ID obtained above. If there is an error, click View Log to see the error



message and log file.

### Importing Tasks at the Lowest Level

In a Tutor document, you can set up multiple levels of sub processes or subtasks under a parent process or task. During the import, only first level subprocesses or tasks in the Tutor document are uploaded to OICM.

You can upload a subsequent level of subprocesses and subtasks under the prior level by selecting the appropriate parent process or task before executing the next import. In OICM, a parent process can have an unlimited number of child processes associated with it. You are also allowed unlimited levels of subprocesses and subtasks under a parent level process.

In a large and complex environment, it is conceivable that the view of processes and tasks as seen in the Risk Library window can soon get overwhelming since each process or task appears as a separate entry or line. In such a context, we recommend that all lowest level tasks under a process that do not have risks and controls directly associated with them, be described in an attached HTML file. Note that lowest level tasks are typically in procedures or instruction documents.

### Audit Mode Selection

As needed, you can flag tasks within Tutor processes or procedures with the appropriate Audit mode selection:

- Automatic Control
- Manual Control
- Both

**Note:** In Oracle Tutor, this flag is typically set at the lower level of procedures and instructions as opposed to tasks in higher level processes. See the Oracle Tutor Author User Manual for more information on flagging tasks using Audit Mode.

Process and tasks that are flagged with an Audit Mode in Oracle Tutor are automatically created in OICM with a:

- Process Type of Control Activity
- Control Activity Type of Automatic, Both, or Manual (depending on the Audit Mode)

### Attaching a File to a Process

The steps to attach a file to a process are shown below.

1. In the Risk Library > Process tab of OICM, select the process to which you want to attach your procedures document. This process will serve as the parent for the lowest level tasks.
2. Click Convert Tutor Document and then click Attach. The resulting window shows existing attachments, if any.
3. Now click Add Attachments and provide the following:
  - A Description of the file that is being attached.
  - For the category of the attached file, select Miscellaneous.
  - Whether the attachment type is a file, URL, or a text file. Make sure that your entry corresponds to the appropriate radio button in this window.
4. Import the attachment as follows:
  - Click Finish to complete the addition of the file. The window shows a summary of attachments for the selected process or procedure.
  - Click Return to return to the Processes window.
  - Click Apply to apply the changes.
  - Do not click Convert as the HTML file or any other file is an attachment only. If you click this button, the concurrent process that is launched completes with errors.
5. View the lowest level tasks by selecting the parent level process, clicking on Convert Tutor Document, and then selecting Attachments.

**Note:** Also refer to the section Associating Documents with Processes, page 2-28.

## To Import Process Flow Diagrams Using Tutor

Perform the following tasks to import process diagrams from Tutor into OICM:

1. From the Tutor/Word menu bar select Author > Convert To HTML. This generates a GIF file depicting the flow of the process or procedure and stores the process name in GIF file in the Tutor installed directory. The Tutor installed directory is US/APPSHTML/FND depending on the Tutor Author HTML option selected.
2. In the Home > Process tab of OICM, select the process or procedure that the flow diagram represents. You can expand the processes shown by clicking Expand All.

3. Click Convert Tutor Document and then, Attach. The resulting window shows existing attachments, if any.
4. Click Add Attachments and provide the following:
  - A Description of the GIF file that is being attached.
  - The category of the attached file. In this case, this value is ICM: Flow Chart Diagram.
  - The attachment type. For Tutor GIF files, select File and then, click Browse. In the browse window, go to the Oracle Tutor installed directory and select the GIF file corresponding to the process or procedure.
5. Import the flow diagram as follows:
  - Click Finish to complete the addition of the file. The window shows a summary of attachments for the selected process or procedure.
  - Click Return to return to the Processes window.
  - Click Apply to apply the changes.
  - Click Convert to load the new process diagram.
6. View the imported process diagram by selecting the process in the Risk Library window under the Processes tab.

## Importing Processes Using Oracle Workflow

Oracle Workflow provides a complete business process definition, automation, and integration solution. A workflow process consists of a sequence of activities that make up a business flow. The activities can include business events, automated functions, notifications to users, and subprocesses.

Through Oracle Workflow, you can:

- Define, implement, and enforce your organization's business policies
- Route information, like approvals and data, through the organization based on user defined rules
- Capture exceptions when they occur and take action based on the exception type
- Integrate with trading partner systems

Workflows defined in the Oracle Workflow Builder can be made available as processes in OICM.

## Benefits of Using Oracle Workflow

- During the import of processes written in Oracle Tutor, only first level subprocesses or tasks in the Tutor document are uploaded to OICM. You need to upload a subsequent level of subprocesses or subtasks under the prior level by selecting the appropriate parent process or task before executing the next import.

This can be a disadvantage if you have several organizations with multiple levels of subprocesses or subtasks under a parent process or task. In a large and complex environment, it is conceivable that a large number of imports will be necessary to fully import your organization's processes.

On the other hand, processes defined appropriately in Oracle Workflow are fully automatically available as processes in OICM. Subprocesses defined in Oracle Workflow under a particular parent process will be available as such in OICM.

- Oracle Workflow is an active work management tool. The Oracle platform hosts the business applications that are integrated with the Workflow Engine, the Business Event system, the Notification system, and directory services.

By defining your business processes using Oracle Workflow Builder, you automatically ensure that the process is executed in the way that it is set up.

**Note:** For detailed information on using the Workflow Builder and workflow components and services, refer to the Oracle Workflow Guide.

The processes setup in Oracle Workflow Builder requires considerably more technical expertise than that required to create processes using Oracle Tutor.

## To import processes using Oracle Workflow

The workflow processes that are imported can be of any ITEM TYPE. In Oracle Workflow, an Item Type is a grouping of workflow components into a high level category and all components of a workflow process (including the process itself) must be associated with a specific Item Type.

### Pre-requisite

For processes written in the Workflow Builder to be available as processes in OICM, they must be defined under the "All Processes" node.

### Steps in Workflow Builder

1. Open the Workflow Builder by clicking the Open icon (Ctrl-O).

2. Click the Database radio button. Enter user/passwd/SID.
3. A Shuttle box appears. On the left highlight the appropriate Item Type and click the left arrow to shuttle this item-type to the left box and then press OK.
4. Expand the Item Type and then expand Processes.
5. Double click on the process under which you want to create your processes.
6. Right Click with the mouse in the blank space that opens up and choose New Process. If this option is grayed out, then you do not have permission to create children for that process.
7. Enter process properties. Note that you can create as many processes as you need.
8. Now you need to create the activity transition data. Click on a node, for example Process1, right click, and draw the arrow to say Process2. This means Process2 follows Process1 in execution sequence.
9. Continue to create processes this way. Note that to be visible in OICM, the process that you create must exist under the ALL PROCESSES process (root). This is also seeded with the application.
10. Close the box and Save all Data.

## Steps in Oracle Internal Controls Manager

Topic	Navigation Path
Importing processes from Oracle Workflow	<p>Using the Super User (or equivalent) responsibility, click the Risk Library tab and then the Processes subtab.</p> <p>Click the Modify icon for the appropriate process to create the new process as its child. To create a top level process, choose the Modify icon for the node "All Processes".</p> <p>In the Process Hierarchy Workbench, click the "Add" icon and choose to "Import Processes from Workflow."</p>

Home | Audit Operations | Segregation of Duties | Organizations | **Risk Library** | Setup

Processes | Risks | Controls | Audit Procedures | Significant Accounts | Import

Risk Library Processes > Process Hierarchy Workbench > Add Process: Procure to Pay >

**Import Workflow Process** Cancel Import

Parent Process: **Procure to Pay**

☐ Overwrite Existing ICM Process

Item Type:

Select an item-type to reduce the number of processes retrieved

Process:

Go

Move Move All Remove Remove All

Once imported, process can be modified as appropriate in OICM. For example you can add children, risks, controls, etc. to the process.

Subsequent changes in the process within workflow are not automatically reflected in the OICM process. To later synchronize the OICM version with the Oracle Workflow copy, check the "Overwrite the Existing Process" option and re-import. This results in the OICM process matching the version from Workflow.

**Note:** The name and Item Type of the two versions of the process being imported from Workflow must be the same. If you choose to overwrite the existing process, then the Risk Library objects that are associated with the existing process will be deleted.

The imported Workflow process is a new revision and will not show up in the approved hierarchy until and unless approved.

## Importing Processes Using Web ADI

While conducting internal audits, companies build up libraries of significant business processes along with their associated risks and controls. Consulting firms have also created large data sets of risk library objects. These repositories are typically built over several years and incorporate the industry's best practices in executing processes and conducting audits.

Applications Desktop Integrator (ADI) is a spreadsheet based extension to the Oracle E-Business Suite and enables suite applications to import data using a native spreadsheet interface. With the import functionality in OICM, companies can leverage the existence of existing repositories by importing them from a file. The data can then be applied to their organizations with minimal customization.

OICM uses Oracle Web ADI for the import of all risk library objects - processes, risks,

controls, and audit procedures.

**Note:** For more information on importing risk and control objects into OICM, see Importing Risks and Controls into Oracle Internal Controls Manager. Also see Importing Audit Procedures into Oracle Internal Controls Manager.

## To Import Processes Using Web ADI

Processes constitute relatively static data and most organizations will typically import them infrequently.

Topic	Navigation Path
Importing processes into OICM using WebADI	Using the Super User or equivalent responsibility, click the Risk Library tab and then the Import subtab.  Select Viewer Settings and subsequently enter all required information into the import spreadsheet. Finally, select Oracle-Upload from the menu bar.

Note the following points with regard to the import of processes using Oracle Web ADI.

- The process spreadsheet includes a parent process for every row on the spreadsheet. This allows you to import the entire hierarchy for the firm's business processes at the same time thereby eliminating the need for multiple uploads. The highest-level process is All Processes.

By using the template correctly, you can not only define new processes (for example Sales Order Management), but also create an entire process hierarchy that looks like this:

All Processes

Order to Cash

Sales Order Management

Analyze to Agreement

- Attributes of processes are the major part of the spreadsheet and processes are imported/updated with these attributes. Validation of the import data is done within the spreadsheet itself through lists of values for all lookup based columns.
- Web ADI uploads the data from the spreadsheet into the AMW\_PROCESSES\_INTERFACE table. A concurrent program then uploads the

data from the interface table to the base tables. You may choose to submit this program automatically during the upload. Any errors that occur during the import process are flagged as errors with appropriate error messages.

- Once data is imported, the profile option AMW: Processes-Delete after import provides users with the option of deleting the rows from the interface. The default value is set to Yes so that once the rows are successfully imported, they are automatically deleted from the interface.
- AMW: Default Processes to Standard Process. Through this profile option, users define if uploaded processes should be defaulted as Standard Processes.

### WebADI Imports and Owner Privileges

The following logic applies to the process owner, finance owner, and application owner columns:

- Roles for the three owner columns, namely, the process owner, application owner, and finance owner, are not automatically granted for users in the import spreadsheet, such they are not synonymous with the column headers. Instead the following three site level profile options will determine the privileges of users entered in the import spreadsheet as process, finance, and application owners.
  1. AMW: Process Import Finance Owner column
  2. AMW: Process Import Application Owner column
  3. AMW: Process Import Process Owner column

These profile options can be set to any role within the process approvals domain. For example if the AMW: Process Import Process Owner column is set as Process Reviewer, then the user entered in the Process Owner column in the spreadsheet will only get a process reviewer role.

**Note:** For more information on roles available, refer to Roles and Privileges, page 15-1 in OICM.

- When importing new processes:

If user X is uploading a process P and specifies user Y in the Process Owner column, then Y is granted the Process Owner role. If User X does not specify a value in the Process Owner column, then no role is granted on the imported process to anyone.

**Note:** However, note the above caveat on site level profile options which effectively limits the role of the imported owners.



- When importing (updating) an existing Process:

Case 1: P has no process owners

If user X is updating a process P and specifies user Y in the Process Owner column, then Y is granted the Process Owner role.

Case 2: P has one specified process owner

Assume that the existing owner of process P is Q. If user X is updating P and specifies user Y in the Process Owner column, then Q is replaced by Y and Y is granted the Process Owner role.

Case 3: P has multiple process owners

Assume that process P has multiple process owners. If user X is updating P and specifies user Y in the Process Owner column, then Y is added as a to the existing set of Process Owners of P.

**Note:** Again, note the above caveat on site level profile options which effectively limits the role of the imported owners.

- Additionally, the profile options AMW: Access All Processes is an instance set grant on all processes and is set at the user level. If this Profile Option is set to Yes for a particular user, then that user will have access to all processes in the instance.

The following table lists the fields in the body of the import spreadsheet:

Field Name	Mandatory	Validation (Lookup Type)
Process Name	Yes	Free text / All valid process names in the system.
Process Code	No	Free text / All valid process codes in the system.
Parent Process Name	Yes	<p>All valid process names in the system including All Processes.</p> <p>Alternately, you can enter a new parent process name as free text. Since this process does not exist in the application tables, it must be entered and imported as a new process line in the spreadsheet.</p>

<b>Field Name</b>	<b>Mandatory</b>	<b>Validation (Lookup Type)</b>
Parent Process Code	No	Free text / All valid process codes in the system.
Process Owner	No	A valid Party in the AMW_EMPLOYEES_CURRENT_V view.
Finance Owner	No	A valid Party in the AMW_EMPLOYEES_CURRENT_V view.
Application Owner	No	A valid Party in the AMW_EMPLOYEES_CURRENT_V view.
Process Sequence Number	No	N/A. This number determines the sequence in which the process appears in the hierarchy.
Revise/Delete Process	No	Revise/Delete
Approval Status	No	AMW_PROCESS_APPROVAL_STATUS
Process Category	No	AMW_PROCESS_CATEGORY
Significant Process	Yes	(Y/N) AMW_SIGNIFICANT_PROCESS
Standard Process	No	(Y/N) AMW_STANDARD_PROCESSES
Standard Variation	No	All valid processes in the system
Process Type	No	All Valid Process Types
Control Activity Type	No	Automatic, Manual, Both

Field Name	Mandatory	Validation (Lookup Type)
Attachment URL	No	NA
Classification	No	All valid Process Classifications

Note: Standard Variation

If the process being uploaded is not a Standard Process, then the Standard Variation field **MUST** be entered i.e. the process being uploaded is a variation of the process entered in the Standard Variation field.

Note: Revise/Delete Process flag

During the import, processes are created if they do not exist and updated based on the status of the "Revise/Delete Process" flag. This flag supports process revisions as follows:

- The flag is ignored if the process does not exist.
- If the process exists and the flag is Revise, the process will be revised if the process has an "Approved" status and updated if the process is in Draft status.
- If the process exists and the flag is Delete, the process will be deleted. All sub processes in the hierarchy below this process will be deleted as well.

## Profile Option Settings

The following profile option values need to be set correctly based on the load of the concurrent program.

### 1. BNE: Upload Retry Count.

This indicates the number of times to check concurrent status. The default is 50.

### 2. BNE: Upload Sleep Seconds.

This indicates the number of seconds to wait between each check of concurrent status. The default is 3. This indicates WebADI will wait for 150 seconds to finish the concurrent request.

### 3. BNE: UIX Physical Directory. This should be set as file\_path/cabo/

The file\_path is where the cabo directory is located.

### 4. The ICX profile Apps Servlet Agent should be set to http://xxxxx:port/oa\_servlets/.

Note that '/' is important at the end of the URL.

5. BNE: Upload Staging Directory: This should point to a directory where the applications user has write permission.

If not, the user will get a write privilege error as follows:

IOException: Please have your system administrator view the bns.log file. Cause: java.io.FileNotFoundException:/Directory path/bnee0tdZvSg.xml (Permission denied) Action: Please contact your support representative.

The file bnee0tdZvSg.xml is dynamically generated and will vary with the concurrent program run.

## Using Web ADI with Excel Versions Higher Than Excel 2000

For Web ADI to work with these versions, perform the following three steps:

1. Open to the latest version of Excel.
2. Go to Tools > Macro > Security > Trusted Sources.
3. Check the Trust access to Visual Basic Project.

## Process Objectives

All business processes, explicitly or implicitly, have objectives that the process is oriented towards. These objectives send a powerful signal as to what you intend to achieve by running the process in the organization. Process objectives are typically classified as being one or both of the following:

- Control objectives that must be met. For example, an Accounts Receivable department process may have control objectives that are consistent with segregating duties with respect to credit granting authority and sales commissions. Another control objective for this process could be ensuring authorized credit commitments.
- Performance objectives that the process must achieve. For example, the Accounts Receivable department process may have performance objectives that are consistent with minimizing working capital requirements, like "Days sales outstanding."

A review of your business process can help to determine these objectives. Once identified, process objectives provide guidance in identifying process risks as well as the controls to mitigate those risks. Process objectives, when used in conjunction with process definitions, can also provide useful benchmarks to process owners for evaluating the performance of their processes. To this end the application allows you to associate Key Performance Indicators with the process objective.

OICM allows you create objectives that can be associated with process definitions. The process objectives can be categorized as being control or performance objectives.

## Setting up Process Objectives

OICM allows you to create process objectives in two ways:

- Manually set up your process objectives
- Import process objectives when importing risk library objects

Note that you can only define process objectives in the risk library of the OICM application.

### Manually create process objectives

Topic	Navigation Path
Manually create process objectives	Using the Business Process Owner (or equivalent) responsibility, click the Setup tab and then the Risk Library subtab  Select the (Process) Objectives Summary link under the Risk Library tab and then click the Create button

1. Enter the attributes of the objective and specify whether it is a control or performance objective.

Risk Library
Audits
Findings
Financial Statements
Opinions
Import

Setup : Risk Library > Process Performance/Control Objectives Details

### Process Performance/Control Objectives Details

Cancel
Save

\* Objective Name
Minimize Bad Debt

Type

☒ Control Objective
☐ Performance Objective

Start Date
22-Jan-2004

End Date
30-Jan-2004

Defined By
Bacajun, Stanford

Objective Description

#### Performance Measures

*Application Name	*Performance Measure Name
*Oracle Receivables	*AR Turnover
Add Another Row	

For both control and performance objectives, you can associate a performance measure in the form of a Key Performance Indicator from the Oracle Daily Business Intelligence module. The same performance measure can be used by multiple objectives.

- Once the process objective is created, drill down to the Objectives section of the Process Details page

Topic	Navigation Path
Link Process Objectives with Processes	<p>Using the Business Process Owner (or equivalent) responsibility, click the Risk Library tab and the Processes subtab.</p> <p>For the relevant process, click the Modify icon to access the Process Hierarchy Workbench. Drilldown into the appropriate process and select the Update dropdown.</p> <p>Select the Objectives subtab to add and/or update Process Objectives hyperlink.</p>

**Note:** For detailed information on the Process Hierarchy Workbench, refer to Process Approvals and Change Management, page 3-1.

## Import Process Objectives

Instead of creating process objectives manually and then associating them with processes individually, OICM furnishes a powerful import mechanism for process objectives. Using this functionality, you can import and associate process objectives with processes in a single step.

Note that process objectives cannot be imported while importing processes into the risk library. Instead process objectives form a part of the spreadsheet to import risks and controls. This is because these objectives can only be fully understood in the context of process risks. By virtue of orienting a process in a particular direction, process objectives expose processes to risk. Hence the import of process objectives is along with risks and controls in OICM.

**Note:** Processes must exist in the application before the import of risks, controls and process objectives is executed. For more information, refer to Importing Risks and Controls into Oracle Internal Controls Manager, page 4-20.

## Process Objectives in the Risk Library

The objectives associated with a process are typically viewed in the process details window in the risk library.

Topic	Navigation Path
View Process Objectives associated with a process	Using the Business Process Owner (or equivalent) responsibility, click the Risk Library tab and the Processes subtab.  Drilldown into the relevant process and scroll to the Objectives section.

However, you can also view and set process objectives in the context of related risks. As noted earlier, these are the risks that arise as a result of the objectives orienting the process in a particular direction.

Topic	Navigation Path
View Process Objectives in the context of risks	Using the Business Process Owner (or equivalent) responsibility, click the Risk Library tab and the Risks subtab.  Drilldown into the relevant risk and select the Objectives subtab.

By clicking the Remove/Add buttons, OICM allows you to associate specific process objectives to a particular risk.

## Process Attributes

The following table gives further information on select fields in the process details page.

Field	Description	Seeded Values	Lookup Type	Accessibility Level
Process Owner	The name of the person responsible for the execution of the process	N/A	N/A	N/A



Field	Description	Seeded Values	Lookup Type	Accessibility Level
Finance Owner	The name of the person responsible for the financial aspects/results of the process	N/A	N/A	N/A
Approval Status	Process Approval Status. To be available for use in Oracle Internal Controls Manager, a process must have a status of "Approved"	Approved Draft Pending Approval Rejected	AMW_PROCESS_APPROVAL_STATUS	System
Standard Process	Whether the process is considered to be standard or non standard. Non standard processes may possess unique risks and require distinct controls and audit procedures.	Yes No	AMW_STANDARD_PROCESS	System
Process Category	Process classification. Non-routine processes require more audit focus than Routine processes. An Estimate process is performed for arriving at a financial estimate.	Estimate Non-Routine Routine	AMW_PROCESS_CATEGORY	Extensible

Field	Description	Seeded Values	Lookup Type	Accessibility Level
Significant Process	An indicator of the priority of the process	Yes No	AMW_SIGNIFICANT_PROCESS	User
Process Type	<p>You can fine tune the process definition through its Type.</p> <p>"Task" is a unit of work undertaken within a process.</p> <p>"Control Activities" are a unit of work undertaken for the primary purpose of mitigating the risk associated with the process. They can be thought of as controls in the form of processes associated with the process being setup.</p> <p>Process and tasks that are flagged with the appropriate Audit Mode in Oracle Tutor are automatically created in OICM as Control Activities.</p>	<p>Process</p> <p>Sub process</p> <p>Task</p> <p>Control Activity</p>	N/A	N/A
Process Classification	Classification for Extensible Attributes.	N/A	N/A	N/A

**Note:** OICM allows you to associate processes with specific organizations in the enterprise. You can update process attributes in a particular organization without affecting those attributes in other orgs. For example, you can have different process owners for the same process in different orgs.

Refer to Revising Processes in Organizations, page 3-19.

## Process Significance

As noted in the table above, when Processes are created in the risk library, you can set the attribute of Significance using a "Yes/No" flag. For a significant process, OICM allows you to specify the determinants of this attribute i.e. why this process was determined to be significant.

The profile option AMW: Default for Significant Process during process creation can be set to automatically default this value.

Topic	Navigation Path
Significant Process Determinants	Using a superuser or equivalent responsibility, click the Risk Library tab and then the Processes subtab.  Drill into the Process Details page and scroll down to the Process Significance section.

The determinants are from a Lookup Type and are user extensible.

Process Owner:

OICM uses the Process Owner field in the following two ways:

1. If you implement "Roles and Privileges" within the application, this field is used to allow access to an organization.

**Note:** For more information, refer to Roles and Privileges, page 15-1 in OICM.

2. When a process certification is created, OICM uses the process owner field to assign certification tasks. Only process owners can view and certify their processes within a certification.

For example, assume a process certification that involves the process "P2P." If a user "U" is the process owner of this process in the org "US," then U is responsible for certifying P2P in the US org and will receive a notification to that effect. If a process certification is required and the owner of a process is not identified, then

notifications to certify the process cannot be sent.

**Note:** For more information, refer to Process and Organization Certification, page 10-1.

## Associating Documents with Processes

Process documentation often becomes the basis for compliance checking performed by auditors. With OICM you can attach any document to a process. The attached document can serve a variety of purposes. For example, it may be descriptive or as a basis for teaching users how to deploy the process.

### Tutor Attachments

Oracle Tutor is Oracle's preferred documentation tool. Tutor offers process / procedure authoring, automatic flowcharting, and role based publishing along with predefined business models and flows. Out of the box processes and procedures can therefore be easily modified to represent your business processes in the Oracle E-Business suite. Oracle Tutor is also integrated with Oracle iLearning which allows your managers to verify that their employees have studied the procedures required to perform the job.

Once procedures are developed using Oracle Tutor, you can associate the procedures with applicable processes as well as access them from the process details window in OICM.

### To associate documents (from Tutor) with processes

From the Processes window of the Risk Library, click Convert Tutor Document (since Tutor is Oracle's preferred documentation and authoring tool) and then click Attach to attach your documents to a process.

The steps to associate a document with a process are the same as listed in the section Attaching a File to a Process.

**Note:** Distinguish these files from Tutor Process Authoring files. Unlike the latter, these documents are attached to processes for descriptive / explanatory purposes only.

It is also important to remember that attachments are added to a process (or risk, control, audit procedure object) in the risk library and organization independently. Attachments made in the library are viewable in the library only while those made to a risk library object in a particular organization are not carried over from the org to the risk library automatically.

## Other Attachments

**Note:** The following discussion hold for attaching documents to all risk library and organizational objects (not just processes).

Using the "Attachments" subtab, OICM allows you to attach documentation of virtually any data type to objects in the application like processes, risks/controls, and audit engagements. Attachments result in the revision of the object. In addition to the storage of data in "Oracle Files", the attachment feature supports third party repositories as well. The documents/files can hence be stored in an external document management system and linked to the engagement object.

### Prerequisites

The followings two tasks must be completed before you can link any attachments to objects in the application:

1. Set the Self Service Oracle Files Enabled profile option to "Yes" (at the Application level).
2. Set the appropriate documentation repository parameters as follows:

Topic	Navigation Path
Set up parameters for the Application Documentation Repository	Using the System Administrator responsibility, navigate to the Application: Document > Repository.

### Repository Setup

Select Object: Test Connection Remove Update								
Select Name	Short Name	Description	Product Type	Service URL	WebDav Connection URL	Sequence	Path	Certificate
<input type="radio"/>	EBS	E-Business Suite	E-Business Suite					
<input type="radio"/>	OFNA	Oracle Files North America	Oracle Files V1/V2	<a href="http://documents.oracleads.com">http://documents.oracleads.com</a>	<a href="http://documents.oracleads.com">http://documents.oracleads.com</a>	1		

For the appropriate instance, set the required parameters as follows:

Parameter Name	Description
Service URL	Used to check whether the Oracle Files Online (OFO) instance is up and running. For testing purposes only.
WebDAV Connection URL	URL that is used to open a DEV (http) connection with OFO.
Sequence	An ordering sequence number.

At any time during the execution of the audit, you can now link attachments to the Audit Engagements or other objects in the application.

Topic	Navigation Path
Attach a file to a risk library or organizational object	In the details page of the object or the Audit Engagement, navigate to the Attachments subtab

Home **Audit Operations** Segregation of Duties Organizations Risk Library Setup

Engagements Assessments Findings Remediation

Audit Operations: Engagements >

**Audit Engagement: Americas Sales Audit Q1 2005**

Update

Name **Americas Sales Audit Q1 2005** Report **AMW Audit Report** Generate View

Number **IA10024** Type **Internal Audit Type**

Manager **Sharma, Anita** Sign Off Status **Not Submitted**

Status **Active** Description

Start Date **12-Feb-2005**

View **Main**

Objectives Scope Tasks Controls Risks Processes Organizations Findings **Attachments** Settings People

Show Search

**Attached Documents**

Add Attachment **Upload Desktop File To OFNA** Go

Name	Modified By	Last Modified Date	Repository	Details	Detach
No data exists.					

**Attached Folders**

Add **Shortcut to OFNA** Go

Name	Description	Attachment Category	Last Modified By	Last Modified Date	Default Folder	Repository	Details	Detach
No data exists.								

## Linking Key Accounts with Processes

To certify a financial statement, the impact of the different business processes that affect the financial items on the statement first needs to be understood. Each financial item is an account or consolidation of accounts and an integral part of the processes that affect it. It is imperative that the processes behind financial items be recognized and incorporated into the financial audit.

OICM therefore enables the mapping of processes to natural accounts defined in the system. These accounts are based on the natural account segment definition in the chart of accounts.

**Note:** For more information on natural accounts and their definition, see the Oracle Applications Flexfields Guide.

There are two ways to link accounts with processes in OICM.

- Manually link key accounts with processes
- Import the process and key account associations

## Pre-Requisites to linking Accounts and Processes

Both the above methods require the following pre-requisites:

## 1. Import the Financial Accounts

The OICM application enables you to import your financial statement structure, chart of accounts and the relationship between financial items and key accounts from your financial reporting application, whether it is Oracle Financial Statement Generator (FSG) or any another application.

By setting the profile option AMW: Use Oracle Financial Statement Generator, you define the source of the financial accounts and statements that will be recognized by the application.

- Financial accounts and statements originate in FSG reports

Financial Statement Generator (FSG) is a powerful ad hoc reporting tool and is a component of the Oracle General Ledger module. Using the FSG, you can build report "row" and "column" objects and merge them into financial reports. The row objects are typically the relevant financial items of the report. Once FSG reports are built, they can be saved in the system for reuse.

By default this profile option is set to "Yes" and indicates that the financial items from reports created in Oracle General Ledger using FSG are automatically available to OICM.

For financial items based on FSG reports, you also need to set the AMW: Natural Account Value Set profile option. This option defines which financial accounts will be recognized by OICM. The natural account value set identifies the accounts that can be certified i.e. these accounts will be displayed in the financial certification detail windows. Note that the natural account value set is only valid for FSG reports created in the Oracle E-Business Suite. If a third party reporting tool is used, then this profile option is ignored.

- Financial accounts and statements originate in an external third party system. The financial statements and items are maintained and stored in the third party system.

If you use an external third party reporting set, then the profile option AMW: Use Financial Statement Generator must be set to "No." In this case you will need to set the profile options shown below to map the financial items in the third party system to OICM. These third party items will then be recognized by OICM.

The following table lists the profile options that must be seeded if Financial Statement Generator Reports are not used.



Profile Option	Description	Required Columns	Data Type
AMW: View for Financial Item Descriptions in External Apps	Contains the View Name to get the Financial Items Language Specific Name.	FINANCIAL_STAT EMENT_ID	Number
		FINANCIAL_ITEM_ ID	Number
		NAME	Varchar2
		LANGUAGE	Varchar2
		SOURCE_LANGUA GE	Varchar2
AMW: View for Financial Item and Account Relation in External Apps	Contains the View Name to get the Financial Statements to Items to Key Account Mapping.	FINANCIAL_STAT EMENT_ID	Number
		FINANCIAL_ITEM_ ID	Number
		NATURAL_ACCOU NT_ID	Number
AMW: View for Financial Items in External Apps	Contains the View Name to get the Financial Items.	FINANCIAL_STAT EMENT_ID	Number
		FINANCIAL_ITEM_ ID	Number
		PARENT_FINANCI AL_ITEM_ID	Number
AMW: View for Financial Statements in External Apps	Contains the View Name to get the Financial Statements.	FINANCIAL_STAT EMENT_ID	Number
AMW: View for Financial Statement Descriptions in External Apps	Contains the View Name to get the Financial Statements Language Specific Name.	FINANCIAL_STAT EMENT_ID	Number
		NAME	Number
		DESCRIPTION	Varchar2
		LANGUAGE	Varchar2
		SOURCE_LANGUA GE	Varchar2

Profile Option	Description	Required Columns	Data Type
AMW: View for Key Account Names in External Apps	Contains the View Name to get the Key Accounts.	NATURAL_ACCOU	Number
		NT_ID	Varchar2
		NAME	Varchar2
		LANGUAGE	Varchar2
		SOURCE_LANGUA GE	
AMW: View for Key Account in External Apps	Contains the View Name to get the Key Accounts.	NATURAL_ACCOU	Number
		NT_ID	Varchar2
		NATURAL_ACCOU NT_VALUE	Number
		PARENT_NATURA L_ACCOUNT_ID	

## 2. Run the Import Natural Accounts Concurrent Program

Run the concurrent program Import Natural Accounts to bring all relevant financial items into the OICM application tables.

**Note:** For more information on importing financial statements, refer to B. Import the Financial Statements to be Certified., page 11-4

## Manually link Significant Accounts with Processes

Topic	Navigation Path
Manually link Significant Accounts with Processes	<p>Using the Business Process Owner (or equivalent) responsibility, click the Risk Library tab and the Processes subtab.</p> <p>For the relevant process, click the Modify icon to access the Process Hierarchy Workbench. Drilldown into the appropriate process and select the Update dropdown.</p> <p>Select the Significant Accounts subtab to add and/or update accounts.</p>

All natural accounts defined in the associated value set appear in the list of values. You can link multiple Significant Accounts with a process.

## Import the process and key account associations

Instead of linking processes with accounts individually, you may import all process key account associations in a single step.

1. In the Risk Library > Import tab select "Import Process to Key Account Associations."
2. Select viewer settings (Excel 1997/2000) and then update the displayed spreadsheet with the appropriate data.
3. Select "Oracle - Upload" from the spreadsheet menu bar.

Note the following points with regard to the import of Process-Key Account Associations using Oracle Web ADI.

- The Financial Statement and Financial Item fields can be used to filter the values in the Key Account column.
- Web ADI uploads the data from the spreadsheet into the AMW\_KEY\_ACC\_INTERFACE table. A concurrent program then uploads the data from the interface table to the base tables. You may choose to submit this program automatically during the upload. Any errors that occur during the import process are flagged as errors with appropriate error messages.
- Once data is imported, the profile option "AMW: Process to Key Account Associations - Delete after import?" provides users with the option of deleting the rows from the interface. The default value is set to "Yes" so that once the rows are successfully imported, they are automatically deleted from the interface.

The following table lists the fields in the import spreadsheet:

Field Name	Mandatory	Validation
Process Name	Yes	All valid processes in the system
Financial Statement	No	All valid financial statements in the system. These statements originate in Oracle FSG or 3rd party reports.

Field Name	Mandatory	Validation
Financial Item	No	All valid financial items in the selected statements. If the statements are Oracle FSG reports, then these items are typically "row" objects.
Key Account	Yes	All valid accounts belonging to the selected financial statement and item. If the financial statement and item filters are left blank, then the LOV shows all accounts.

## Organizations in Oracle Internal Controls Manager

**Note:** For detailed information on seeding risk library objects (other than processes) into the risk library, refer to Risks and Controls in Oracle Internal Controls Manager, page 4-1 and Audit Procedures in Oracle Internal Controls Manager, page 5-1.

Once the risk library is seeded, most remaining setups in the application are done within the context of a particular "Organization." It is advantageous for companies to standardize their business processes across these organizations. Benefits include common process methodologies, economies of scale and learning, etc.

In a dynamic environment however, processes are subject to change that can be unique to an organization. In addition, for enterprises that span multiple locations, there can be a variety of environments in which the processes are executed. These dissimilar settings often result in a need to modify processes in particular organizations. Oracle Internal Controls Manager therefore provides the ability to create the following:

- Process Variations (in the risk library). The variation can be later associated with an organization.
- Process Exceptions (in individual organizations).

**Note:** For more details on process variations, refer to Revising Processes in the Risk Library - Part 2 (Process Variation Management), page 3-14. For more details on process exceptions, refer to Process Revisions in Organizations, page 3-19.

## To Setup Organizations in Oracle Internal Controls Manager

Organizations in Oracle Internal Controls Manager must be "Auditable Units." An Auditable Unit is any logical division or grouping of the enterprise that is available as an organization classification in the Oracle E-Business Suite. For example, a legal entity, operating unit, company cost center, inventory organization, or any other organization can be classified as an Auditable Unit.

### Prerequisite

Before you can set up an organization as an Auditable Unit, you need to first seed the following profile options.

- AMW: Subsidiary Value Set for Auditable Units Required. This value set should be the same as the one used by the "Company" segment in your chart of accounts.
- AMW: Line of Business Value Set Optional. This can be any value set that is used for line of business values.

**Note:** If you have Oracle Daily Business Intelligence installed, this value set corresponds to Line of Business value set that is used in the Management flexfield.

### Setting up Auditable Units in Oracle Human Resources

The following is a summary of the steps that must be performed in Oracle Human Resources.

**Note:** For detailed information on setting up organizations, refer to Using Oracle HRMS – The Fundamentals.

1. In Oracle Human Resources, navigate to the Work Structures > Organizations > Description form.
2. Enter the primary attributes of the organization like the Name, Dates it is valid, and Location.  
Organization Classification
3. In the Organization Classification section, select Auditable Unit. Click the Enabled check box and then Others to drill into the details of the Auditable Unit.
4. Select the Subsidiary value set for this Auditable Unit. The list of values defaults the value set from the AMW: Subsidiary Value Set for Auditable Units profile option. Next, select a subsidiary value. The Auditable Unit is now associated with this Subsidiary.

It is important to note that the Auditable Unit goes beyond the concept of a subsidiary. In the Organization window, your organization (that is now an Auditable Unit) can also be set up with any other classification like an "Inventory Organization" or a "Legal Entity."

As an example, if you are investigating the internal controls of inventory organizations in your enterprise, then each of these inventory organizations must also be tagged as an Auditable Unit and associated with a subsidiary. You can have several organizations like Inventory Organizations under the same subsidiary. Each of these Auditable Units will also be linked to this subsidiary.

On the other hand, assume your domain of interest is a Legal Entity that spans multiple subsidiaries. In this case you need to set up multiple Auditable Units, with one Auditable Unit for each subsidiary. Each of these Auditable Units will also be tagged as a Legal Entity.

5. Select the Line of Business value set for this Auditable Unit. This step is optional. The list of values defaults the value set from the AMW: Line of Business Value Set profile option. Select a Line of Business value that will be associated with the Auditable Unit.

Note that multiple Audit Units can be associated with a particular Line of Business value.

## Associate Page Search

When you associate a process to an organization, you can optionally look for the organization in the Associate search window using the following dimensions:

- Organization Name.
- Organization Location.
- Subsidiary. Subsidiaries in Oracle Internal Controls Manager map to "companies." The list of values for this field shows the values of the Accounting Flexfield Company segment. Once you select a subsidiary in the Search window, the resulting page shows all the organizations linked to this subsidiary.
- Line of business. The list of values for this field shows the values from the Line of Business value set that have been associated with existing Auditable Units. Once you select a Line of Business in the Search window, the resulting page shows all organizations linked to this Line of Business value.

## Linking Processes with Organizations

Processes are originally imported into the Risk Library in Oracle Internal Controls Manager. Risks, controls, and audit procedures must be associated with each other and with processes before an audit opinion can be issued. These associations are initially

performed in the Risk Library.

As different organizations may perform different processes, Oracle Internal Controls Manager allows you to associate processes with specific organizations in the enterprise i.e. processes are mapped to the organization structure of the enterprise. All links with risk library objects associated with the process are carried over into the associated organizations. You can view them from the organization views in the application.

Topic	Navigation Path
Linking Processes with Organizations	Using an appropriate responsibility, navigate to the Risk Library tab and the Processes subtab to access the "Associate to Organization" and "Synchronize to Organizations" buttons.

The view of processes in this window is the Approved Hierarchy i.e. only approved processes can be associated with organizations. Remember that a process cannot appear in this view until and unless the following conditions are met:

- The process is approved.
- The process has an approved path to "All Processes" i.e. the top level process node in the hierarchy i.e. if any processes exist above it in the hierarchy, those processes must also be approved.

When you link or re-associate processes from the risk library to an organization with an existing hierarchy of processes, the existing hierarchy (if any) is not automatically overridden. Instead, the application provides you with the several options.

These options are discussed below.

## Associate to Organizations

Home Financial Statements Audit Operations Segregation of Duties Organizations Risks

Processes Risks Controls Audit Procedures Significant Accounts Import

Risk Library Processes >

### Associate Organization

Cancel Apply

#### Existing Sub Processes Import Options

Processes Retain definition in the Organization

Risks, Controls and Audit Procedures Retain definition in the Organization

#### Select Organizations

##### Available Organizations

Company

Organization Name

Go

Move

Move All

Remove

Remove All

##### Selected Organizations

01 US Organization  
Engineering 1022  
Engineering 1033  
Sales 1002  
Sales 1003  
Sales 1004  
Sales 1005  
Vision Corporation

By default, all organizations are listed in the trailing window "Selected Organizations," that are not currently associated to the process (you cannot associate the same process to an organization twice, use the Synchronize to Organization" button instead). By clicking apply at this point, all the organizations in the trailing window are automatically associated. To search for a subset, you can move these back to the "Available Organizations" leading window and filter them by company and organization name.

While associating the process to the organization, the application provides you with the following options with respect to its subprocesses:

1. Retain definition in the Organization.

In this case, the attributes of the sub processes and their downward hierarchy are not overridden.

For example, assume that process P1 in the risk library is being associated with Org O1. Process P1 has a subprocess P2 which in turn has no subprocesses. If P2 exists in O1 with a child P3, then associating P1 to O1 (with the option to "Retain definition in the Organization), results in the structure

```
P1
|
P2
|
P3
```



## 2. Synchronize with the library definition

In this case, the attributes of the sub processes and their downward hierarchy are overridden by the current library definition. In the case of the above example, the resulting structure in O1 is

P1

|

P2

## Synchronize with Organizations

Discrepancies between a process in a particular organization and its original form in the risk library can originate in the following ways:

1. You may subsequently add or change a risk, control, procedure, account associated with the process in the risk library. You can also change the process structure itself i.e. add/delete children in the risk library. These additions and changes are not automatically migrated to the processes that have been mapped to organizations in the application.
2. You can also create a process exception i.e. modify the process in a particular organization. These changes are not reflected in the process structure within the risk library.

You can choose to synchronize the process and/or its subprocesses, the process hierarchy and/or its attributes, associated risks, controls, and audit procedures, as well as people with designated roles and privileges on the process. Based on the synchronization options followed, specific changes made in the context of an organization will be obliterated.

**Note:** Only processes that have been approved in the Risk Library can be associated with the organization. However, once linked to an organization, the process must also be approved in the organization.

## Process (and other Risk Library) Attachments

Note that attachments are added to a process (or risk, control, audit procedure object) in the risk library and organization independently. Drill down into the process and then select the "Attachments" link.

Attachments made in the library are viewable in the library only while those made to a risk library object in a particular organization are not carried over from the organization to the risk library.

## Linking Risks and Controls with Organizations

You can similarly link risks and controls directly with organizations.

Topic	Navigation Path
Linking Risks and Controls directly with Organizations	Using a Super User (or equivalent) responsibility, navigate to the Organizations tab and drill into the appropriate organization to access the Risks and Controls subtab.

## Viewing Organizations

Three hierarchy views are available for organizations:

1. Custom Hierarchy. This is the hierarchy of organizations as defined in the Oracle HR module and entered in the "AMW: Org Security Hierarchy" profile option.
2. Legal Hierarchy. This is the hierarchy of subsidiaries (companies) in the Subsidiary Value Set. The value set name must be entered in the "AMW: Subsidiary Value Set for Audit Units" profile option.
3. Management Hierarchy. This is the hierarchy of LOB's in the LOB Value Set. The value set name must be entered in the "AMW: LOB Value set for Audit Units" profile option.

Organization				
View: ICM HR Org Hierarchy				
Expand: ICM HR Org Hierarchy, Legal Hierarchy, Management Hierarchy				
Focus	Organization	Type	Certification Status	Active Audit Projects
	Root Node			
	Vision Enterprise	Company		8
	Vision Operations	Division		8
	Vision Services	Division		7
	Vision Computers	Operating Unit		9
	Vision Project Mfg	Division		7
	Vision Corporation	Corporate Headquarters		12
	01 US Organization	Cost Centre		0

Type here is the HR defined organization type.



---

## Process Approvals & Change Management

This chapter covers the following topics:

- Process Approvals in Oracle Internal Controls Manager
- Process Revisions in Oracle Internal Controls Manager
- Process Deletions (Removals and Disassociations)
- Submitting Processes and Process Revisions for Approval
- Process History

### Process Approvals in Oracle Internal Controls Manager

The creating and importing of processes in OICM is discussed in the previous chapter. These processes are created in "Draft" status and must go through an approval mechanism as follows:

A process is created with a status of "Draft." When submitted for approval, the process status becomes "Pending Approval." Note that while in a Pending Approval state, the attributes or list of children of the process cannot be changed. If approved, its status becomes "Approved" and the process can then be used in the application.

**Note:** The exception to the general case described above is that you can import a process as approved using WebADI provided:

- The Process Approval Status entered in WebADI is "Approved."
- The OICM process parameter "Approval Required" (described later in this section) is set to "No."

### Process Verification

The verification of business processes in an organization is a major portion of the

internal audit function. These processes (both manual and automated) are subject to change due to a variety of reasons such as a rapidly changing environment, legislation, changes in other processes, etc. Since the changes can adversely impact process risk exposure as well as the internal controls set up on the process, process changes must be subject to a review and approval mechanism.

Further, the internal audit department must assess the process change to ascertain whether it introduces additional control risks. Risks to internal controls can be captured through a review of the changes to key risks, controls, and business settings. It is hence critical to be able to view version information and historical data for business processes.

Oracle Internal Controls Manager provides a rich functionality in this domain and uses an intuitive workbench to provide features and benefits like the following:

- All processes and process revisions are created in a "Draft" status and must be approved before the process or its revision can be used in the system. Change notifications are sent to all concerned personnel (ex. process owners) and recipients of these notifications can review the modified processes prior to giving their approval.
- The application maintains a detailed revision history for all processes (including non standard processes) in the entity. Auditors therefore have the ability to view a complete audit trail of changes taking place in the organization and the risk library.
- Before approving a process change, you can compare the revised process with its prior version to determine whether the change is acceptable. This comparison is crucial in determining the impact of changes/deviations on associated processes. Through a hierarchy viewer, you can also see which associated business processes are impacted by the change.

**Note:** This method for verification of processes does not apply to the approval of Risk, Control and Audit Procedure objects. Those objects use Oracle Approvals Management for revision control.

Refer to Risk Library Change Control, page 6-1 as well as the Oracle Approvals Management Implementation Guide.

## Process Approval Setup - Process Parameters

There are different submission and approval "environments" predicated in OICM based on the value of the application's "Process Parameters." These parameters determine how process approvals function in the Risk Library and in organizations and provide flexibility in the creation and modification of processes.

Topic	Navigation Path
Set up Process Parameters for Process Approvals in both the Risk Library and OICM Organizations	<p>Using the Business Process Owner (or equivalent) responsibility, click the Setup tab and then the Risk Library subtab</p> <p>Navigate to the Process Parameters Window to update Risk Library and Organization Parameters.</p>

Home Business Processes Segregation of Duties Organizations Risk Library Setup

Issue Management | Opinions | Risk Library | Approvals | Value Sets

Setup: Risk Library > Parameters >

### Process Parameters

#### Risk Library Parameters

Approval Option **Approval Independent of Descendant's Approval Status** Process Code Prefix ICM\_ [Update RiskLibrary Parameters](#)

Approval Required **No**

#### Organization Parameters

[Update Organization Parameters](#)

**Search**

Please note that the search is case insensitive.

Organization Name  [Go](#) [Clear](#)

Organization Name	Approval Option	Approval Required
No search conducted.		

## Update Risk Library Parameters

Home Business Processes Segregation of Duties Organizations Risk Library Setup

Issue Management | Opinions | Risk Library | Approvals | Value Sets

Setup: Risk Library > Parameters > Process Parameters >

### Update RiskLibrary Parameters

Approval Option **Approval Independent of Descendant's Approval Status** Process Code Prefix ICM\_ [Cancel](#) [Submit](#)

Approval Required **No**

The following parameters must be set up before you can use the process approval mechanism in OICM.

### Approval Option

#### 1. Approval Independent of Descendents Approval Status

This option enables the independent approval of a process irrespective of the status of others processes below it in the hierarchy. You can hence submit and approve the process even if its subprocesses are not approved.

#### 2. Automatically Approve all Descendents

On approval of a process, all its descendents are also approved i.e. all sub processes

at any level (children, grandchildren etc.) are also approved.

### 3. All Descendents should be Approved

When this option is active, a process can be submitted for approval only if all its descendants are already approved.

The Approval Option setting can effectively limit the choice of actions that can be performed on lower level processes in a hierarchy when a higher level process is submitted for approval. For example, if the "Automatically Approve all Descendents" option value is active, no changes are allowed in the downward hierarchy of a submitted process till that process is approved.

**Note:** Changes in the Approval Option setting are allowed only if no submitted processes are awaiting approval in the system i.e. there are no processes with a status "Pending Approval." In this case there are no processes that are currently locked in the system.

### Approval Required

This parameter determines whether Oracle Workflow will be used in process submission or whether the process is automatically approved.

If Approval Required is set to "No" and the Approval Option is "Approval Independent of Descendents Approval Status," then process approvals take place immediately. If Approval Required is set to "Yes," then a workflow approval routing is initiated when the process is submitted for approval.

**Note:** For more information on the use of Workflow for approvals in OICM, see the next section Submitting Processes and Process Revisions for Approval.

### Process Code Prefix

Enter a code that is used as a prefix in process code nomenclature. This setup is valid in the Risk Library only but carries over with processes in the organizational context.



## Update Organization Parameters

HomeBusiness ProcessesSegregation of DutiesOrganizationsRisk LibrarySetup

Issue Management | Opinions | Risk Library | Approvals | Value Sets

Setup: Risk Library > Parameters > Process Parameters >

Update Organization Parameters

☒ TIP Parameters are disabled for Organizations where some processes are in Pending Approval Status.

CancelSubmit

Search

Organization Name

☐ Retrieve organizations that have not been configured

Go

Organizations

Organization Name	Approval Option	Approval Required
Engineering 1022	Approval Independent of Descendant's Approval Status	No
Engineering 1033	Approval Independent of Descendant's Approval Status	No

Automatically Approve all descendants  
All Descendants should be approved

CancelSubmit

When an organization is registered with OICM, these values default from the OICM Risk Library.

You can maintain the settings (as described in the previous section) for a particular organization in this window. For example, if the Approval Required parameter is "Yes" in the Risk Library, the same parameter can have a value "No" in Organization "B." Process approval is then required in the RL but not in org "B."

## Process Hierarchies

Processes can be viewed in two hierarchies in OICM - the "Approved Hierarchy" of processes and the "Latest Hierarchy" of processes. The application distinguishes between these two hierarchies as follows:

### Approved Hierarchy

The primary view of processes in the Risk Library or in an organization is the Approved Hierarchy.

Topic	Navigation Path
Accessing the Approved Hierarchy of Processes	Using the OICM Super User (or equivalent) responsibility, click the Risk Library tab and then the Processes subtab.  Alternately, navigate to the Organizations tab and then drill into a particular organization to view the Approved Hierarchy in that organization.

<div> <a href="#">Home</a> <a href="#">Financial Statements</a> <a href="#">Audit Operations</a> <a href="#">Segregation of Duties</a> <a href="#">Organizations</a> <a href="#">Risk Library</a> <a href="#">Setup</a> </div>									
<a href="#">Processes</a>   <a href="#">Risks</a>   <a href="#">Controls</a>   <a href="#">Audit Procedures</a>   <a href="#">Significant Accounts</a>   <a href="#">Import</a>									
Processes <span>Search</span>									
Select Process: <a href="#">Associate To Organization</a> <a href="#">Expand All</a>   <a href="#">Collapse All</a>									
⊕									
Select Focus	Processes	Revised	Revision	Risk Count	Control Count	Organization Count	Significant	Standard	Modify
<input type="radio"/>	▼ All Processes								
<input type="radio"/>	⊕ ▶ Work Management2	<input type="radio"/>	4	9	6		Yes	Yes	
<input type="radio"/>	⊕ ▶ ICM_2	<input type="radio"/>	12	14	11	13	Yes	Yes	
<input type="radio"/>	⊕ ▶ Admission Requirements		4	2	2	9	Yes	Yes	
<input type="radio"/>	▶ Procure to Pay	<input type="radio"/>	2	3	2	12	Yes	Yes	

A process cannot appear in this view until and unless both the following conditions are met:

- The process is approved.
- The process has an approved path to "All Processes" i.e. the top level process node in the hierarchy i.e. if any processes exist above the process in question in the hierarchy, those processes must also be approved.

**Note:** The top level process "All Processes" behaves differently from all the other processes. It is always considered to have a status of "approved," a revision number of 1, and is frequently denoted as just "ALL."

Note that there is no status column in this view as all processes are approved. If approved processes do not exist in the system, the Approved Hierarchy is simply the All Processes node.

## Latest Hierarchy (and the Process Hierarchy Workbench)

Topic	Navigation Path
Accessing the Latest Hierarchy of Processes	<p>Using the OICM Super User (or equivalent) responsibility, click the Risk Library tab and then the Processes subtab. Alternately, navigate to the Organizations tab and then drill into a particular organization to view the Approved Hierarchy in that organization.</p> <p>In the Approved Hierarchy view, click on the Modify Process icon for the appropriate process to access the "Process Hierarchy Workbench."</p>

The resulting view is the current hierarchy under that process and is referred to as the "Latest Hierarchy."

HomeAudit OperationsSegregation of DutiesOrganizationsRisk LibrarySetup

Processes | Risks | Controls | Audit Procedures | Significant Accounts | Import

Risk Library Processes >

Process Hierarchy Workbench

Download ProcessDownload RCMDownload Key AccountsSearch

Select Process: Convert Tutor Document

Expand All | Collapse All

Select	Focus	Processes	Revision	Status	Risk Count	Control Count	Significant	Standard	Add	Remove	Order Children
<input type="radio"/>		▼ Work Management2	5	Draft	9	2	Yes	Yes	+		
<input type="radio"/>		▶ NMP - Set Up Project1	4	Draft	1	1	Yes	Yes	+		
<input type="radio"/>		NMP- O&M Variance Analysis1	2	Approved	0	0	Yes	Yes	+		
<input type="radio"/>		NMP-Monitor Capital Project Costs1	2	Approved	0	0	Yes	Yes	+		
<input type="radio"/>		NMP - Monitor Project Costs - Material1	2	Approved	0	0	Yes	Yes	+		

This hierarchy lists processes in all statuses and is analogous to a "work in process" view of the hierarchy. You may add and/or update processes in this window. For example, you may modify process attributes, list of children, as well as the list and attributes of Risk Library objects that are associated with the process.

**Note:** For details on making changes in processes, refer to the next section Process Revisions in Oracle Internal Controls Manager, page 3-12.

Changes made here will not be reflected immediately in the "Current Approved Hierarchy" of the risk library as they must first be approved.

As an illustration of the Approved and Latest Hierarchies, consider the process hierarchy shown below. Assume this hierarchy is the "Latest Hierarchy." P(A/D,1,X) denotes a Process P that has a status A-Approved or D-Draft, a revision number 1, and attribute X.

All Processes

```
|
|----P1(A,2,X)
| |
| |----P2(D,2,X)
| |
| |----P3(A,1,X)
|
|----P4(A,1,X)
```

The Approved Hierarchy in this example will display as follows:

All Processes

|

|----P1(A,2,X)

|

|----P4(A,1,X)

Process P3, though itself an approved process, does not have an approved path to the root node "All Processes" since P2 is in Draft status. Hence P3 does not appear in the Approved Hierarchy.

**Note:** The above scenario assumes the user has access to all processes in the firm. For more information, refer to Process Hierarchy Views in OICM, page 3-8 as well as Roles and Privileges in OICM, page 15-1.

In the case of revised processes, the current (latest) approved revision is displayed in both Approved and Latest Hierarchies with status "Approved" and unapproved revisions are displayed in the Latest Hierarchy only with status "Draft."

It is important to remember that only approved processes (processes that appear in the Approved Hierarchy) can be assigned to organizations and used in the application.

## Process Hierarchy Views

The previous examples detailed the "Approved" and "Latest" hierarchy under the "All Processes" node.

However, the typical user in OICM only gets to view those processes that list them as the owner (under the My Processes tab). In this case, users that cannot access the "ALL Processes" node (those who are not Superusers) will access a top level dummy process node called "My Processes." The user's processes are listed under this node in hierarchical form.

### Example 1

As an example, assume the Latest Hierarchy is the following:

ALL

|

|----X(D,1,X)

|

|----P(A,2,X)

|

|---Q(D,1,X)

When the owner of P views the Approved Hierarchy, the view is simply:

My Processes

and nothing more.

This is because Process X is not approved and so P does not have an approved path to "All Processes" node. Therefore P is not yet been added to the approved hierarchy of ALL.

However, when the owner of P views the Latest Hierarchy, the view is:

My Processes

|

|---P(A,2,X)

|

|---Q(D,1,X)

Now assume that Process X gets approved. The view in the Approved Hierarchy for the owner of P is:

My Processes

|

|---P(A,2,X)

The view in the Latest Hierarchy (again for the owner of P) is now:

My Processes

|

|---P(A,2,X)

|

|---Q(D,1,X)

## Example 2

Assume the latest hierarchy is:

ALL

|

|-----X(D,1,X)

| |

|---Q (A,1,X) |---P(A,2,X)

|

|---Q(A,1,X)

The owner of P views the Approved Hierarchy as:

My Processes

|

|---Q(A,1,X)

This is because the owner of P also owns Q in that specific hierarchy. However P is not yet present in the Approved Hierarchy as X is not approved.

The owner of P views the Latest Hierarchy as:

My Processes

|

|---P(A,2,X)

|

|---Q(A,1,X)

Note that Q is only visible in relation to P.

## Process Approval Examples

The following examples provide an overview of process approval functionality in OICM. The process approval mechanism is largely dictated by the value of the Approval Option parameter.

In the following examples, unless otherwise stated, assume that the Approval Option parameter is set to "Approval Independent of Descendents Approval Status."

P(A/D,1,X) denotes a Process P that has a status A-Approved or D-Draft, a revision number 1, and attribute X[n].

Approval Options are denoted by A1, A2, A3.

A1 - all processes are approved independently.

A2 - everything below the approved process is automatically approved.

A3 - allows submission for approval only if all processes below the process in concern are already approved.

### Example 1

Suppose the Latest hierarchy is the following:

ALL

|

|-- P1 (D,2,X)

| |

| | --- P4(A,1,X)

```

|
|-- P2(D,1,X)
|
|--P3(A,1,X)

```

In this case the Approved Hierarchy is simply

ALL

Assume that P1 is now approved. Then P4 has an "approved" path to the root and hence both P1 and P4 are added to the Approved Hierarchy.

Approved Hierarchy is now

ALL

```

|
|-- P1 (A,2,X)
| |
| --- P4(A,1,X)

```

Note that though P3 is an approved process, it does not yet have an approved path to the root and so does not appear. The above scenario hold true for any value of the Approval Option parameter.

## Example 2

In this example, assume the Approval Option parameter is A2.

The Latest Hierarchy is as follows:

ALL

```

|
|-- P1 (D,2,X)
| |
| | --- P2(D,1,X)
| |
| | ---P3(D,1,X)
| |
| | ---P4(A,1,X)
|
|--P2(D,1,X)
|
|--P3(A,1,X)

```

Suppose P1 is submitted for approval and then later approved. Since the active Approval Option parameter is A2, all the descendants of P1 are also immediately approved. This means that P2 and P3 are also approved.

The Latest and Approved Hierarchies are now as shown below:

```

ALL
|
|-- P1 (A,2,X)
| |
| | --- P2(A,1,X)
| |
| |
| | ---P3(A,1,X)
| |
| |
| | ---P3(A,1,X)
|
|--P2(A,1,X)
|
|--P3(A,1,X)

```

If the Approval Option parameter had a value of A3, then the process P1 could not even be submitted for approval due to the presence of a non approved descendant.

## Process Rejection

When a process is rejected, its status is set back to "Draft." If the rejection takes place in an environment where the Approval Option is "Automatically Approve all Descendents," then all locks in the downward hierarchy of the process are released.

As and when required, changes can be made again to the process and the process then resubmitted for approval.

## Process Revisions in Oracle Internal Controls Manager

A process is considered to be revised when:

- Any of its attributes are changed. Note that a change in a process attachment also results in a process revision.
- Its list of children changes. These are child processes immediately below the process being investigated. Changes in processes at any other level do not result in a revision.



- Its list of associated risks changes.
- Its list of associated controls changes.

Once revised, a new process revision is created with status Draft and must be submitted for approval. All revisions must go through the same approval mechanism described in the previous section. The revision can then be approved or rejected. If rejected, the process remains in status Draft and the previously approved version remains as the current approved process.

Approved processes (including approved process variations and exceptions) can be revised in both the risk library and individual organizations.

## Revising Processes in the Risk Library - Part 1

Revising approved processes is done in the Process Hierarchy Workbench of the Risk Library.

**Note:** Reordering processes and subprocesses ("Order Children" button in the Process Hierarchy Workbench) does not constitute a process revision and hence needs no approval.

Topic	Navigation Path
Accessing the Latest Hierarchy of Processes	<p>Using the OICM Super User (or equivalent) responsibility, click the Risk Library tab and then the Processes subtab.</p> <p>In the Approved Hierarchy view, click on the Modify Process icon for the appropriate process to access the "Process Hierarchy Workbench " and then drill into the appropriate process.</p>

Home Audit Operations Segregation of Duties Organizations **Risk Library** Setup

Processes | Risks | Controls | Audit Procedures | Significant Accounts | Import

Risk Library: Processes > Process Hierarchy Workbench >

**Process Details: Receive Invoice**

Printable Page Update Go

Process Code **RV** Classification **SOX**  
Revision Number **40000** Approval Status **Approved**  
Significant Process **No** Standard Process **Yes**  
Description **Receive Invoice**

Basic Information Significant Accounts Risks Controls Audit Procedures Organizations Attachments People

Process Type **Process** Standard Process Name  
Process Category **Estimate** Control Activity Type

**Process Flow Chart**

**Process Significance**

**Process Significant Determinants**

Element
Critical to achievement of major goals and objectives of the business
Critical to achievement of financial control assertions
Material financial statement line item or large \$ spend

You may update any and all facets of draft or previously approved processes. You can also update risk library objects associated with the process. Select the Update drop down menu choice and then navigate to the appropriate subtab like Accounts, Risks, Controls, etc. to make any changes.

Home Audit Operations Segregation of Duties Organizations **Risk Library** Setup

Processes | Risks | Controls | Audit Procedures | Significant Accounts | Import

Risk Library: Processes > Process Hierarchy Workbench > Process Details: Receive Invoice >

**Update Process Attributes: Receive Invoice**

Cancel Apply

\* Process Code **RV**  
\* Display Name **Receive Invoice**  
Description **Receive Invoice**

Basic Information Process Significance Objectives Significant Accounts **Risks/Controls** Variation Attachments

Select Risk and ... Remove Add Risks

Select All | Select None

Select Name	Likelihood	Impact	Approval Status	Description	Material	Material Value	Update Controls
<input type="checkbox"/> Bad Credit	Unlikely	Major	Draft		No		+
<input type="checkbox"/> Bad Pricing	Most Time	Catastrophic	Approved	Bad Pricing	Yes		+
<input type="checkbox"/> Customer Default on Accounts Receivable	Often	Major	Approved	Customer Default on Accounts Receivable	Yes		+

The LOV's for adding Risk Library Objects display both Draft and Approved objects. However, you cannot submit a process for approval until and unless all associated objects have an Approved status.

Once the modification is complete, you are ready to approve/submit the process.

## Revising Processes in the Risk Library - Part 2 (Process Variation Management)

A primary task in setting up OICM is to create processes that accurately reflect the business flows of the enterprise. These processes must then be mapped to the firm's

organizational structure. Risks, controls and audit procedures are created and executed in the domain of business processes.

**Note:** For detailed information on setting up processes in OICM, refer to Overview of Process Setups in Oracle Internal Controls Manager, page 2-1.

For more informations on the organizational structure that is supported in the application, refer to Organizations in Oracle Internal Controls Manager, page 2-36.

It is advantageous for companies to standardize their business processes across organizations and geographic regions. Benefits include common process methodologies, economies of scale and learning, etc.

By virtue of its own unique environment however, an organizational unit within the enterprise may be running a derivative of the standard process. To handle such a process alteration, OICM allows you to create process variations and process exceptions. The application distinguishes between the two as follows:

- Process variations are modifications of standard processes created in the risk controls library of the application. The process alteration is realized in the context of the design of the process. Justification for the variation is made with regard to changes in its design as compared to the standard process. The process variation can be later associated with an organization.
- Process exceptions on the other hand are modifications of both standard and non standard processes in particular organizations. The process alteration as well as justification is realized in the context of a particular organization only. Creating process exceptions is an extremely useful feature when processes and their corresponding risks and controls differ between organizations in an enterprise.

**Note:** For detailed information on creating process exceptions, refer to Revising Processes in Organizations, page 3-19.

In both cases, the process alteration must be subject to reviews and approvals. The internal audit department must also evaluate the change to ascertain whether it introduces an additional process risk. Additional risk can be mitigated by supplemental or changed controls and audit procedures. Process alterations take the following forms:

- Additional, removed, or replaced processes in a business process hierarchy
- Additional, removed, or replaced risks and controls associated with a process variation / exception
- Changes in the attributes of relevant risk library objects

## Setup of Process Variations

The steps to create process variations are listed below:

1. Create the non standard process in the risk library
2. Define the non standard process as the variation of a standard process (optional).  
You also need to specify reasons/justification for the alteration of the standard process.

As an example, consider a standard procurement process for chemicals and its non standard variation. In the example, the standard materials procurement process has two sub-processes:

- Standard analysis and approvals
- Standard bid

A variation of the above process is used in the case of procurement of hazardous materials. Accordingly the non standard process "NStd Chem Mat Proc" is created as a non standard process. It has three sub processes:

- Non standard analysis and approvals
- Standard bid (the same as the standard sub-process used in the case of a standard materials procurement)
- Inspection

1. Create the non standard process in the risk library

Author or import the non standard process into the application's risk library. Once created in the risk library, a process/process hierarchy can be attached to any organization in the enterprise.

**Note:** For detailed information on authoring and importing processes in the risk library, refer to Overview of Process Setups in Oracle Internal Controls Manager, page 2-1.

The table below shows the spreadsheet to import the processes given in the above example:

Process Name	Standard Process	Parent Process Name
Std Chem Mat Proc	Yes	All Processes

Process Name	Standard Process	Parent Process Name
Std Anal and Appr	Yes	Std Chem Mat Proc
Std Bid	Yes	Std Chem Mat Proc
.	.	.
NStd Chem Mat Proc	No	All Processes
NStd Anal and Appr	No	NStd Chem Mat Proc
Std Bid	Yes	NStd Chem Mat Proc
Inspection	No	NStd Chem Mat Proc

The spreadsheet shows a subset of the process attributes tabulated in the process import spreadsheet. To mark a process as non standard, OICM uses a simple Yes/No option.

**Note:** For more details on all fields in the spreadsheet, refer to the section Process Attributes, page 2-24.

## 2. Define the non standard process as the variation of a standard process (optional)

Topic	Navigation Path
Define a process variations	<p>Using the Business Process Owner (or equivalent) responsibility, click the Risk Library tab and the Processes subtab.</p> <p>For the relevant process, click the Modify icon to access the Process Hierarchy Workbench. Drill down into the appropriate process and select the Update drop down to access the Variation subtab.</p>

Home | Audit Operations | Segregation of Duties | Organizations | **Risk Library** | Setup

Processes | Risks | Controls | Audit Procedures | Significant Accounts | Import

Risk Library: Processes > Process Hierarchy Workbench > Process Details: Receive Invoice >

**Update Process Attributes: Receive Invoice** Cancel Apply


\* Process Code

\* Display Name

Description

Basic Information | Process Significance | Objectives | Significant Accounts | Risks/Controls | **Variation** | Attachments

Standard Process

Standard Process Name    
Populate this field for non standard processes only.

**Child Difference Justification**

Standard Process Child	Standard Child Process Code	Non Standard Process Child	Non Standard Child Process Code	Justification
No data exists.				

In the Variation page, this process can be set up as a variation of a standard process. To do this, select "No" for Standard Process and enter the name of the standard process in the Variation region of the page. The non standard process is now a variant of the standard process. It is important to note that only processes that have been set up as standard processes will appear in the LOV for the Standard Process field.

In our example, "NStd Chem Mat Proc" as well as "NStd Anal and Appr" are setup as variations of the standard processes "Std Chem Mat Proc" and "Std Anal and Appr." Finally enter the reasons and justification for the variation.

Comparing standard and variant process

Topic	Navigation Path
Comparing standard and non standard processes	Click the Risk Library tab and then the Processes subtab  Drilldown into the non standard process

In the process details window of the non standard process, click the Variation Exception button to compare the standard process with its variation.

Note that you can have an unlimited number of non standard processes that are variants of a standard process. However, at any given time you can only compare the current non standard process with the standard process it is associated with.

## Variation Justification

Non Standard Process **NStd Chem Mat Proc**  
 Standard Process **Std Chem Mat Proc**

Standard Process Children	Non Standard Process Children	Justification
	Inspection	Further inspection for harardous chemicals
Std Anal and Appr	NStd Anal and Appr	
Std Bid	Std Bid	

## Reasons

- ☒ Legislation
 ☐ Size of Operations
 ☐ Others
 ☐ New Business Line

## Justification

Comments

**Note:** Risks, controls, and audit procedures are associated with non standard (variant) processes in the normal manner. For more information, refer to Setting up Risks in Oracle Internal Controls Manager, page 4-2, Setting up Controls in Oracle Internal Controls Manager, page 4-12, and Setting up Audit Procedures in Oracle Internal Controls Manager, page 5-2.

## Revising Processes in Organizations

As noted earlier, it is advantageous for an enterprise to work with standardized business processes. Though processes may be formally standardized across an enterprise, they may still differ in their execution in different organizations. This holds true even for processes that are designed as non-standard processes i.e. the non-standard process can be implemented in different ways in different organizations. The changes can exist to account for legislation, changes in the environment of the process, etc.

**Note:** For more information on non-standard processes, refer to Revising Processes in the Risk Library - Part 2 (Process Variation Management), page 3-14.

Rather than always creating multiple variations of a process/process hierarchy to account for these differences, Oracle Internal Controls Manager allows you to make changes to processes in individual organizations of the enterprise. The changes are unique to an organization and not reflected in others. You can therefore associate a standard process to multiple organizations and then customize (revise) each one

independently. This will result in differences between processes in the risk library and the organizations they are assigned to i.e. unique exceptions to the standard process can be created in organizations.

**Note:** For detailed information on associating processes with organizations, refer to *Organizations in Oracle Internal Controls Manager*, page 2-36.

It is important to note that in order to add a risk library object to an organization, either as an addition or a replacement, the object must exist in the risk library of Oracle Internal Controls Manager.

### To revise processes in Organizations

Revising organization processes is done in the Process Hierarchy Workbench (within an organizational context).

Topic	Navigation Path
Accessing the Latest Hierarchy of Processes	<p>Using the OICM Super User (or equivalent) responsibility, navigate to the Organizations tab and then drill into a particular organization to view the Approved Hierarchy in that organization.</p> <p>In the Approved Hierarchy view, click on the Modify Process icon for the appropriate process to access the "Process Hierarchy Workbench " and then drill into the appropriate process.</p>

You may update any and all facets of draft or previously approved processes. You can also update risk library objects associated with the org process. Select the Update drop down menu choice and then navigate to the appropriate subtab like Accounts, Risks, Controls, etc. to make any changes.



Home Audit Operations Segregation of Duties **Organizations** Risk Library Setup

Organizations > Organization: Vision Corporation > Process Hierarchy Workbench: Vision Corporation >  
 Process Details: NMP-Monitor Capital Project Costs, Vision Corporation >

**Update Process: NMP-Monitor Capital Project Costs, Vision Corporation**

Process Name **NMP-Monitor Capital Project Costs** Revision Number **3** Cancel Apply

Process Code **WM3**

Basic Information Objectives Significant Accounts **Risks And Controls** Attachments

Select Risks Remove Add Risks

Select All Select None

Select	Name	Likelihood	Impact	Material	Material Value	Update Controls
<input type="checkbox"/>	Project costs are misstated on the financial statements	Rare	Insignificant		USD	

In the Process Hierarchy Workbench within an organization, you may also choose to "Synchronize" the process with its original in the risk library.

Home Audit Operations Segregation of Duties **Organizations** Risk Library Setup

Organizations > Organization: Vision Corporation > Process Hierarchy Workbench: Vision Corporation >

**Synchronize Process: NMP-Monitor Capital Project Costs**

Cancel Submit

☐ Import Risks and Controls From Risk Library Process

☐ Synchronize Process

☐ Include All Sub Processes to Synchronize

Process Name **NMP-Monitor Capital Project Costs** Organization **Vision Corporation**

Process Code **WM3**

The options when performing this synchronization are detailed in the table below. The options can be used in combination (options 2 and 3 must be used together).

Synchronize Option	Description
1. Import Risks and Controls From Risk Library Process	<p>Synchronize the risks and controls of the process with those of the same process in the risk library.</p> <p>If options 2 and 3 are not used with option 1, this option can be used to synchronize only the risk and control of the individual process. Checking options 2 and 3 with option 1 synchronizes the attributes of the process (and subprocesses) and its risks and controls (as well as the risks and controls of subprocesses).</p>
2. Synchronize Process	<p>Synchronize the process attributes with the attributes of the same process in the risk library.</p>

Synchronize Option	Description
3. Include All Sub Processes to Synchronize	This option must be used in conjunction with Option 2. Include the subprocesses when synchronizing.

### Note: Revising Sub-Processes

The initial view of the processes in an organization is from the Oracle Internal Controls Manager risk library.

**Note:** For more information, refer to Organizations in Oracle Internal Controls Manager, page 2-36.

You may click on the risks/controls hyperlinks to drill down to a detailed view of these objects associated with the process. If you drill down to the details pages, note the following points regarding the numbers:

- The number of risks associated with a parent process corresponds to the total of the risks attached to the child processes.
- The number of controls associated with a parent process does not necessarily correspond to the total of the children as the application displays only distinct controls in the details page.

Select the Add Sub-Process icon for the relevant process to create the revision in this organization. As noted earlier, these changes are not reflected in any other organization. You may add:

1. An existing process from the organization
2. A process from the application's risk library

In this latter case, OICM gives you the option to "Synchronize the existing subprocess" or just "Apply RCM."

**Note:** For detailed information on these options, refer to Linking Processes with Organizations, page 2-38.

Note the following points with respect to creating process revisions in an organization:

- The list of values for processes that you can add or replace in an organization is a subset of all processes in the process risk library. This is because the application precludes you from adding sub-processes in the hierarchy that will create circular relationships.

- Changes to process attributes within an organization, for example the process owner, are reflected in ALL occurrences of that process within the organization.

## Process Revision Examples

The following examples provide more details of process revision functionality in OICM. They can also be used to understand the rules by which revision numbers are incremented. Unless otherwise stated, assume that the Approval Option parameter is set to "Approval Independent of Descendents Approval Status."

In these examples, P(A/D,1,X) denotes a Process P that has a status A-Approved or D-Draft, a revision number 1, and attribute X[n].

Process Revision Notation: The process attribute revision number is a counter associated with each process and keeps track of the number of revisions the process has undergone. When a process is first created or imported in OICM, it is given a revision number "1." Each subsequent revision results in this number being increased by one. Revision notation will not be used for the top level process ALL which is always considered to have a status of "Approved" and a revision number of "1."

Process P is an approved process (in it's second revision) with children P1 and P2 as follows:

```
P(A,2,X)
|
|--P1(A,1,X)
|
|--P2(D,1,X)
```

### Example 1

Suppose attribute value X of Process P is changed to X1. Then P is now considered revised and its status changes to "Draft."

```
P(D,3,X1)
|
|--P1(A,1,X)
|
|--P2(D,1,X)
```

### Example 2

Suppose we were to add a child P3 to P then the hierarchy would look like this:

```
P(D,3,X)
|
```

|--P1(A,1,X)

|

|--P2(D,1,X)

|

|--P3(D,1,X)

Suppose P is then submitted for approval and subsequently approved. The Latest Hierarchy now looks as follows:

P(A,3,X)

|

|--P1(A,1,X)

|

|--P2(D,1,X)

|

|--P3(D,1,X)

After this approval assume that P3 is deleted. OICM does not consider this change to be a new revision of P as revisions can only take place on approved processes. So the Latest Hierarchy becomes

P(A,3,X)

|

|--P1(A,1,X)

|

|--P2(D,1,X)

Note that the process revision number has not changed.

However if we deleted the process P1 (which has a previous approved revision) instead of P3, then P is considered revised. The Latest Hierarchy in this case is:

P(D,4,X)

|

|--P2(D,1,X)

|

|--P3(D,1,X)

## Process Deletions (Removals and Disassociations)

Deleting a process in OICM takes the form of a "Removal" or "Disassociation" from the process hierarchy. Removals can be performed in the context of both risk library and

organization while a Disassociation is executed for an organization only.

The functional difference between the two is as follows: "Remove" breaks the link between a process and it's parent (in the risk library or organization process hierarchy) while "Disassociate" removes all instances of the process from an organization's process hierarchy. In both cases the process itself remains in the system.

Both Removal and Disassociation are done in the Process Hierarchy Workbench.

### Process Removal in the Risk Library

Topic	Navigation Path
Process Removal	Risk Library
	Using the OICM Super User (or equivalent) responsibility, click the Risk Library tab and then the Processes subtab.
	In the Approved Hierarchy view, click on the Modify Process icon for the appropriate process to access the "Process Hierarchy Workbench" and the "Remove" icon.
Organization	Organization
	Using the OICM Super User (or equivalent) responsibility, click the Risk Organizations tab and drill down into the details of the applicable organization.
	In the Approved Hierarchy view of processes, click on the Modify Process icon for the appropriate parent process to access the "Process Hierarchy Workbench" and the "Remove" icon.

"Remove" functionality breaks the link between a process and it's parent in the process hierarchy.

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Process Hierarchy Workbench

Download Process

Download RCM

Download Key Accounts

Search

Select Process:

Convert Tutor Document

Expand All

Collapse All

⊕

Select	Focus	Processes	Revision	Status	Risk Count	Control Count	Significant	Standard	Add	Remove	Order Children
<input type="radio"/>		▼ Work Management2	5	Draft	9	6	Yes	Yes	+	⋈	⋈
<input type="radio"/>		NMP - Set Up Project1	3	Approved	1	1	Yes	Yes	+	⋈	⋈
<input type="radio"/>		NMP- O&M Variance Analysis1	2	Approved	0	0	Yes	Yes	+	⋈	⋈
<input type="radio"/>		NMP-Monitor Capital Project Costs1	2	Approved	0	0	Yes	Yes	+	⋈	⋈

## Process Disassociation in Organizations

Topic	Navigation Path
Accessing the Latest Hierarchy of Processes	<p>Using the OICM Super User (or equivalent) responsibility, navigate to the Organizations tab and then drill into a particular organization to view the Approved Hierarchy in that organization.</p> <p>In the Approved Hierarchy view, navigate to the Modify Process icon for the appropriate process to access the "Process Hierarchy Workbench" and the "Disassociate" button.</p>

Remember that "Disassociating" a sub-process from a particular node in the process hierarchy is equivalent to deleting that process from the organization i.e. the sub-process is detached from that particular node as well as all others in the organization. Hence disassociating a parent process from any node of the process hierarchy in the organization removes the parent and all its sub-processes from all nodes in the hierarchy.

## Process Deletion Examples

### Example 1 - Removal from the Risk Library

Consider an Approved Hierarchy in the risk library as follows:

All Processes (Approved Hierarchy)

|

P1(A,2,X)

| |

| |----P2(A,2,X)

| |

| |----P3(A,1,X)

|

|----P3(A,1,X)

Suppose P3 is "Removed" as a child of P2. Then the resultant hierarchy is:

All Processes (Latest Hierarchy)

|

P1(D,3,X)

| |

| |----P2(A,2,X)

|

|----P3(A,1,X)

Note that only the instance of P3 that is a child of P2 is removed. However P3 is still within the hierarchy of P1.

The resulting Approved Hierarchy is simply "All Processes."

All Processes (Approved Hierarchy)

## Example 2 - Disassociation from an Organization

Consider an Approved Hierarchy in an organization as follows:

All Processes (Approved Hierarchy)

|

P1(A,2,X)

| |

| |----P2(A,2,X)

| |

| |----P3(A,1,X)

|

P3(A,1,X)

Suppose P3 is "Disassociated" from the hierarchy. Then the resultant hierarchy is:

All Processes (Latest Hierarchy)

|  
P1(D,3,X)

|  
|----P2(A,2,X)

With this Disassociation, all instances of P3 are removed from the hierarchy of P1.

The new Approved Hierarchy is again:

All Processes (Approved Hierarchy)

Note that though P3 does not appear in either the Approved or Latest Hierarchies, the owner of P3 can still access and modify it as required.

### Example 3

Consider a process hierarchy as follows:

P(A,3,X)  
|  
|--P1(A,1,X)  
|  
|--P2(D,1,X)

Assume that P2 is removed from the hierarchy. OICM does not consider this change to be a new revision of P as revisions can only take place on approved processes.

So the Latest Hierarchy becomes

P(A,3,X)  
|  
|--P1(A,1,X)

However if we removed the process P1 (which has a previous approved revision) instead of P3, then P is considered revised. The Latest Hierarchy is now:

P(D,4,X)  
|  
|--P2(D,1,X)

## Submitting Processes and Process Revisions for Approval

Once the modification of processes is complete, you are ready to approve/submit the process.



## Setup for Process Approval

The steps to setup the Oracle Internal Controls Manager application for process approval are listed below:

1. Create the process approval templates
2. Seed these templates as the active process approval routing templates within OICM

### Create the Process Approval Templates

There are two workflow templates that must be setup for the approval of processes:

- The Process Approval Template: Applies to process approvals in the OICM Risk Library
- The Organization Process Approval Template: Applies to process approvals in all organizations

The following discussion pertains to the Process Approval Template.

**Note:** The creation of the Organization Process Approval Template is a mirror of this setup.

Topic	Navigation Path
Setting up the Process Approval Template	Using the OICM Super User (or equivalent) responsibility, click the Setup tab and then the Approvals subtab.  Drill down into "Approval Templates" to access the "Process Approval" Template (and "Organization Process Approval" Template). Drill into this template to view its details.

You may use the seeded template or duplicate and modify the same (click the Update button).

Process approvals using the seeded "Process Approval Template" takes the following form:

- Approval is optional from the owner/owners of this process in the Risk Library. These individuals are those who are assigned a "Risk Library Process Owner" role on the process.
- Approval is mandatory from change approvers of the process in the Risk Library. These individuals are those who are assigned a "Risk Library Process Change Approver" role on the process.

Once the workflow successfully traverses a particular step it then advances to the requirements of the next step. You can modify almost all facets of the workflow template. For example, in a particular workflow step you can change the list of assignees, whether an approval is required from "One Assignee"/"All Assignees"/"Mandatory Assignees," the "Days to Respond", etc.

Home Audit Operations Segregation of Duties Organizations Risk Library **Setup**

Engagements | Issue Management | Opinions | Risk Library | Regulations | **Approvals** | Value Sets

Setup: Approvals >

**Update Step: 10**

\* Indicates required field

\* Step 10

Workflow Process Request Approval

Assignee Derived

Response Required Mandatory Assignees

Days to Respond All Assignees  
One Assignee

Instructions Mandatory Assignees

Cancel Add Another Apply

**Assignees**

Add Assignee Role Add

Type	Name	Company	Response Required	Delete
Armw RL Process Role	Risk Library Process Change Approver		Mandatory	
Armw RL Process Role	Risk Library Process Owner		Optional	

**Note:** You may modify the seeded template as appropriate. For more information on setting up workflows, refer to the Oracle Workflow Guides.

### Seed the Process Approval Templates in OICM

Perform the following two steps to seed the templates as the active process approval routing template within OICM:

1: Access the workflow for the Risk Library Process Approval Category and the Process (Risk Library) Type. In the case of organization process approvals, access the Organization Process Approval Category and the Process (Organization) Type.

**Note:** The Process Approval (Risk Library) Type and the Process Approval (Organization) Type are for internal use only.

First access the Process Approval (or Org Process Approval) Type within OICM

Topic	Navigation Path
Seed Workflow Approval Templates in OICM	<p>Using the OICM Super User (or equivalent) responsibility, click the Setup tab and then the Issues Management subtab. Drill down into "Categories and Type" to access the Risk Library Process Approval (and Organization Process Approval) Categories.</p> <p>For the Risk Library Process Approval Category (or Organization Process Approval Category), navigate to the Type subtab.</p>

Home Audit Operations Segregation of Duties Organizations Risk Library Setup

Engagements | **Issue Management** | Opinions | Risk Library | Regulations | Approvals | Value Sets

Setup: Issue Management >

### Categories

Select Category: Duplicate Update Previous 5 6-9 of 9 Next

Select	Name	Description	Created By	Start Date	End Date	Search Criteria	Display Format
<input type="radio"/>	Sign Off Request	Sign Off Request	Richard Abbott	11-Feb-2005			
<input type="radio"/>	Incident	Incident	Richard Abbott	27-Oct-2004			
<input checked="" type="radio"/>	Risk Library Process Approval	Risk Library Process Approval	Richard Abbott	11-Feb-2005			
<input type="radio"/>	Organization Process Approval	Organization Process Approval	Richard Abbott	11-Feb-2005			

#### Category: Risk Library Process Approval

Basic Information Types Line Types Reports

Select Header Type : Duplicate Update Create

Select	Name	Description	Subject Type	Created By	Start Date	End Date
<input checked="" type="radio"/>	Process (Risk Library)	Process (Risk Library)	AMW_REVISION_ETTY	Richard Abbott	11-Feb-2005	
<input type="radio"/>	Process Approval (Risk Library)	Process Approval (Risk Library)	AMW_PROCESS_APPR_ETTY	Richard Abbott	11-Feb-2005	

## 2: Modify the workflow

Drill down into the Process (Risk Library) Type to access the process approval Workflow. In the case of organization processes, drill down into the or the Process (Organization) Type.

Select	*Number	*Status	Status Type	Update Properties
<input checked="" type="radio"/>	20	Approval	Approval	
<input type="radio"/>	30	Completed	Implemented	

For the appropriate workflow step, click the Update Properties icon to seed the Process Approval Template (created earlier) for that step. Process Approval Templates must be seeded for each step i.e. for each change of status.

As an example, consider a workflow with two phases - "Approval" and "Completed." The workflow routing (based on the template that is created in point 1 and seeded for this status) must be entirely traversed to change the status of the submitted process from "Approval" to "Completed."

**Note:** The remaining setups (like Attribute Groups, Pages, etc.), mirror those described in the chapter Findings in Oracle Internal Controls Manager.

## Enable Business Event Processing

Process approvals utilizes business events in its functioning. It is critical to confirm that events handling the approvals are enabled.

Perform the following task in Oracle Workflow:

Topic	Navigation Path
Enable the Process Approval Business Event	<p>Using the Workflow Administrator Web Applications (or equivalent) responsibility, navigate to the Administrator Workflow and then the Business Events domain.</p> <p>Now search for the "oracle.apps.eng.cm.changeObject.changeApprovalStatus" event [Events Window].</p> <p>Subsequently, drill into the event by clicking the Update icon [Update Event Window] and ensure that its status is "Enabled."</p>

If necessary, change the Status of the Event's subscription to Enabled. Note that to

execute this task you must be logged in as a System Administrator or user with Update privileges.

## Submit the Process for Approval

Once all changes are made in the Process Hierarchy Workbench, you can submit the process for approval (Organization process approval is a mirror of this submission).

Process Code **RV**  
Revision Number **4**  
Significant Process **No**  
Description **Receive Invoice**

Process Type **Process**  
Process Category **Estimate**

Standard Process Name  
Control Activity Type

Process Flow Chart

Process Significance

Element
Critical to achievement of major goals and objectives of the business
Critical to achievement of financial control assertions

**Note:** If Auto Approval is set to Yes, then the "Publish" option (instead of "Review and Submit") is available and the process is automatically approved.

Once submitted, the application displays a summary window where users can review what changes were made to the process and decide whether to continue with the submission. Changes take the following three forms:

- Modification of process or associated risk library object values
- Addition of risk library objects associated with the process
- Deletion of risk library objects associated with the process

Home Audit Operations Segregation of Duties Organizations **Risk Library** Setup

Processes | Risks | Controls | Audit Procedures | Significant Accounts | Import

Risk Library: Processes > Process Hierarchy Workbench > Process Details: Receive Invoice >

**Process Change Summary: Receive Invoice**

Standard Process **Receive Invoice** Process Code **RV**  
Revision Number **4** Description **Receive Invoice**

Cancel Continue

**Process Attributes Modification Summary**

Attribute	Old Value	New Value
Process Category	Routine	Estimate
Significant Process	Yes	No

**Risks Modification Summary**

Risk Name	Modification Type	Likelihood	Impact	Material	Material Value	Approval Status
Bad Credit	Add	Rare	Major	No		Draft
Bad Credit	Delete	Unlikely	Major	No		Draft

Finally, review the parameters of the Change Request (workflow, Pages, Dependencies, Attribute Groups, etc.) that are created according to the Process Approvals setups described earlier in this section and Submit for approval.

**Note:** For more details on these Change Request parameters, refer to Findings in Oracle Internal Controls Manager, page 12-1.

Home Audit Operations Segregation of Duties Organizations **Risk Library** Setup

Processes | Risks | Controls | Audit Procedures | Significant Accounts | Import

Risk Library: Processes > Process Hierarchy Workbench > Process Details: Receive Invoice >

Process Change Summary: Receive Invoice >

**Create Change Request**

\* Indicates required field

Cancel Save for Later (0) Submit

Change Request Type **Process (Risk Library)**  
Change Request Number **PROCRL16**  
\* Change Request Name **Pro16**  
Description

Process Name **Receive Invoice**  
Process Code **RV**  
Revision Number **4**

**Additional Information** Dependencies Workflow Approval Attached Documents

\* Assigned To **Landon Frazier** Requestor **Landon Frazier**  
Priority **High** Need By Date  
Reason **Fraud** (example: 19-Apr-2005 19:45:00)

## Process History

Modification of a process in OICM results in a process revision. However, older versions remain in the system and you can at any point in time view prior revisions of the process as a part of the history of the process.

Topic	Navigation Path
View the history of revisions of a process	<p>Using the OICM Super User (or equivalent) responsibility, click the Risk Library tab and then the Processes subtab to view the Approved Hierarchy. Alternately, navigate to the Organizations tab and drill into a particular organization to view the Approved Hierarchy in that organization.</p> <p>In the Approved Hierarchy view, drill into the details of the appropriate process to access the "History" tab.</p>

Home
Audit Operations
Segregation of Duties
Organizations
**Risk Library**
Setup

Processes | Risks | Controls | Audit Procedures | Significant Accounts | Import

Risk Library: Processes >

Process Details: Receive Invoice

Printable Page

This Process is being revised: Latest Revision 5

Process Code **RV**
Revision Number **4**

Classification **SOX**
Approval Status **Approved**
Standard Process **Yes**

Significant Process **No**
Description **Receive Invoice**

Basic Information | Significant Accounts | Risks | Controls | Audit Procedures | Organizations | Attachments | People | **History**

Process Revisions

Select	Revision Number	Start Date	End Date	Intermediate Date	Change Request
<input checked="" type="radio"/>	1	2005-02-15 14:29:52	2005-03-24 14:18:45	24-Mar-2005 14:18:44	
<input type="radio"/>	2	2005-03-24 14:18:45	2005-03-25 05:18:19	25-Mar-2005 05:18:18	
<input type="radio"/>	3	2005-03-25 05:18:19	2005-05-04 19:01:39	04-May-2005 19:01:38	
<input type="radio"/>	4	2005-05-04 19:01:39			

Process Hierarchy

Expand All | Collapse All

⊕

Focus Name	Process Code	Num of Controls	Num of Risks
Receive Invoice	RV		

### Process Revision Number and Process Hierarchy Links

Click on the Process Revision Number to view the detailed settings of the process for that revision.

Note that the history of a process involves not only the changes in its attributes and associated risk library objects but also changes in its hierarchy. Hence each revision corresponds to a Process Hierarchy link where you can view the details of the active hierarchy for that revision.

### Intermediate Date

Hierarchy changes in a process beyond the first level of children do not result in a process revision. However you can view the detailed hierarchy at any date between the Start and End date of the revision by entering a date in the "Intermediate Date" field.



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# Risks and Controls in Oracle Internal Controls Manager

This chapter covers the following topics:

- Overview of the Risk Library
- Risks
- Controls
- Importing Risks and Controls into Oracle Internal Controls Manager
- Export Risk and Control Objects

## Overview of the Risk Library

The risk library consists of processes and process risks, as well as the policies, procedures, and activities that allow an organization to address those risks. There are four primary objects in the risk library:

- Processes
- Risks
- Controls
- Audit Procedures

The library is therefore analogous to a container that holds these objects for all organizations in the enterprise. Multiple libraries are not allowed.

A risk library can consist of content from professional organizations (for example, The Institute of Internal Auditors or Accounting Firms), and/or from users in the organization. If you decide to implement a partner's library, Oracle Internal Controls Manager includes a spreadsheet interface that allows third party content to be imported.

**Note:** For more information on importing risk library objects into Oracle Internal Controls Manager, refer to Importing Risks and Controls into Oracle Internal Controls Manager, page 4-20.

Processes are fully described under Processes in Oracle Internal Controls Manager and Audit Procedures under Audit Procedures in Internal Controls Manager.

# Risks

Risks are defined as the possibility of acts or events occurring that would have an adverse effect on the organization's processes and its control environment. An example of a risk would be having the same person who enters supplier information into the system also enter and pay invoices.

The Risks tab allows you to change the orientation of your information from being centered around the processes in the organization to being centered around the risks to which the processes are exposed.

Auditors identify the risks associated with each business process and organization and the possible effects they might have. Use Oracle Internal Controls Manager to create and maintain a library of reusable risks that can then be associated with business processes or "entities." Entity Risks are risks that are directly linked with organizations. For example the risk that users may not be adequately trained is more appropriately tied to an organization. All risks can be classified for their probability and impact. For example, the risk that a loss resulting order is accepted may be a low probability risk that has a high impact.

## Setting up Risks in Oracle Internal Controls Manager

Oracle Internal Controls Manager allows you to create risks in two ways:

1. Use the following menu path to manually create your risks.

Topic	Navigation Path
To create a Risk in the OICM Risk Library	Using the Internal Auditor (or equivalent) responsibility, click the Risk Library tab.  In the Risks subtab section, click the Create button.

**Note:** For more information on select fields in the Risks Details page, refer to the sections below on Risk Attributes, page 4-4 as well as the sections on Risks, Risk Types and Regulations, page 4-

If you save the risk for later editing, the risk is created with a status of "Draft." When the risk is finalized, click on Update in the main Risks page (in the Risk Library) and then submit the risk for approval. If you need to update an approved risk, drill into the risk details and then select Revise.

Note that risk library objects can only be utilized in Oracle Internal Controls Manager after they are approved. Risks are approved/reapproved based on your setup of workflow rules and the approval hierarchy in the Oracle Approvals Management application. When the approval is complete, the risk approval status changes to Approved.

**Note:** The use of Oracle Approvals Management for approving risk library objects is optional. For more details, refer to Risk Library Change Control, page 6-1.

To manually link the risk with other objects like processes and organizations, use the following menu path:

Topic	Navigation Path
Manually associate Risks with Organizations, Processes, and Controls	To Link the Risk with Organizations:
	Using the internal auditor (or equivalent) responsibility, click the Organization tab and then drill down into the appropriate org.
	In the Org details view, navigate to the Risks subtab to link the risk with the org.
	To Link the Risk with Processes and Controls:
	Using the internal auditor (or equivalent) responsibility, click the Organization tab and then drill down into the appropriate org.
	From the Process subtab view, navigate to the Process Hierarchy Workbench (by clicking the Modify Process icon for the appropriate process). Drill into a Process in this workbench window and then click the Risks subtab.
	In this details view, click the Update button and then navigate to the 'Risks and Controls' subtab. You can Add Risks as well as associate Controls with the Process Risks.

2. Import Risks from the Setup tab. Instead of creating risks manually and then associating them with controls and with processes individually, Oracle Internal

Controls Manager provides a powerful import mechanism for risk and control objects. Using this import functionality you can import risks and controls and associate them with processes and organizations in a single step.

**Note:** For more information, refer to the section Importing Risks and Controls into Oracle Internal Controls Manager, page 4-20

## Risk Attributes

**Create Risk**

\* Indicates required field

\* Risk Name

\* Classification

Description

Likelihood

Impact

Material

**Risk Types**

Select All | Select None | Expand All | Collapse All

Select	Focus Name	Description
<input type="checkbox"/>	▼ All Risk Types	this is root risk type
<input type="checkbox"/>	AMW Training	AMW Training
<input type="checkbox"/>	⊕ Internal Fraud	
<input type="checkbox"/>	Unauthorized Activity	
<input type="checkbox"/>	Internal Fraud - Theft and Fraud	
<input type="checkbox"/>	⊕ External Fraud	
<input type="checkbox"/>	External Fraud - Theft and Fraud	
<input type="checkbox"/>	System Security	
<input type="checkbox"/>	⊕ Employment Practices	
<input type="checkbox"/>	Employee Relations	
<input type="checkbox"/>	Safe Environment	

The following table provides further information on select fields in the Risk details and Results pages.

Field	Details	Seeded Values	Lookup Type	Accessibility Level
Classification	Determines the extensible attributes displayed for the risk. For more information, refer to Extensible Attributes, page 14-1	NA	NA	NA

Field	Details	Seeded Values	Lookup Type	Accessibility Level
Likelihood	User defined risk classification	Rare Unlikely Often Most Time Certain	AMW LIKELIHO OD	User
Impact	User defined risk classification	Insignificant Minor Moderate Major Catastrophic	AMW IMPACT	User
Approval Status	The Approval Status of the Risk. To be available for use in Oracle Internal Controls Manager, a Risk must have a status of "Approved"	Approved Draft Pending Approval Rejected	AMW_RISK_APPROVAL_STAT US	System
Material	Would the damage or loss be material if the risk occurred	Yes No	N/A	N/A
Risk Type	User defined risk classification. You can associate multiple risk types with a risk. For more information refer to the section Risks, Risk Types and Regulations, page 4-5.	NA	NA	NA

## Risks, Risk Types and Regulations

### Risks and Risk Type

To facilitate Basel II requirements, Risks and Processes need to be classified as belonging to appropriate Regulations (Regulatory Environments).

**Note:** For more information on Regulations and their creation, refer to the White Paper "Integration with Oracle's Basel II Solution".

Risks are classified by Risk Type and a risk in the OICM risk library is associated with one or more Regulations through the use of its Risk Type. Risk Types are seeded within the OICM library that are compliant with the Sarbanes Oxley and Basel II operational risk frameworks.

The following list shows the Level I and Level II Risk Types that are seeded in OICM for Basel II:

Type (Level 1)	Definition	Type (Level 2) with Examples
Internal Fraud	Losses due to acts of a type intended to defraud, misappropriate property or circumvent regulations, the law or company policy, excluding diversity/discrimination events, which involves at least one internal party	Unauthorized Activity (Transactions not reported - Intentional, Transaction type unauthorized - with monetary loss)  Theft and Fraud (Credit fraud / theft / extortion / embezzlement, Misappropriation of Assets, Malicious destruction of assets Bribes / kickbacks)
External Fraud	Losses due to acts of a type intended to defraud, misappropriate property or circumvent the law, by a third party	Theft and Fraud (Theft, forgery)  Systems Security (Hacking damage, theft of information)
Employment Practices and Workplace Safety	Losses arising from acts inconsistent with employment, health or safety laws or agreements, from payment of personal injury claims, or from diversity / discrimination events	Employee Relations (Compensation, benefit, termination issues)  Safe Environment (General liability Employee health and safety)  Diversity and Discrimination (Workers compensation, All discrimination types)
Clients, Products, and Business Practices	Losses arising from an unintentional or negligent failure to meet a professional obligation to specific clients (including fiduciary and suitability requirements), or from the nature or design of a product	Suitability, Disclosure and Fiduciary (Disclosure issues, aggressive sales)  Improper Business or Market Practices (Antitrust, insider trading, unlicensed activity)  Product Flaws (Product defects)  Selection, Sponsorship, and Exposure (Failure to investigate client per guidelines)  Advisory Activities (Disputes over performance of advisory activities)
Damage to Physical Assets	Losses arising from the loss or damage to physical assets from natural disaster or other events	Disasters and other events (Natural disaster losses)

Type (Level 1)	Definition	Type (Level 2) with Examples
Business Disruption and System Failures	Losses arising from disruption of business or system failures	Systems (Hardware, software, telecommunications)
Execution, Delivery, and Process Management	Losses from failed transaction processing or process management, from relations with trade counterparts and vendors	<p>Transaction Capture, Execution and Maintenance (Data entry/loading errors, accounting errors)</p> <p>Monitoring and Reporting (Inaccurate report-external)</p> <p>Customer Documentation (Legal documents missing)</p> <p>Customer / Client Account Management (Unapproved access given to accounts, Miscellaneous non-client disputes)</p> <p>Trade Counterparts / Vendors and Suppliers (Vendor disputes)</p>

Organizations may add to this embedded library of Risk Types to include other risks as follows:

#### To Create a Risk Type

Topic	Navigation Path
Defining Risk Types	<p>Using the Internal Auditor (or equivalent) responsibility, click the Setup tab and then the Risk Library subtab.</p> <p>Drill down into the Risk Types link.</p> <p>To create a Level I Risk Type, click the "All Risk Types" option and then select "Add Sub Risk Type" from the drop down menu.</p> <p>To create a subsidiary level Risk Type, click the parent Risk Type then select "Add Sub Risk Type" from the drop down menu.</p>

Oracle Internal Controls Manager

Home Audits Planning Risk Library **Setup**

Risk Library | Audits | Issue Management | Opinions | Import | Regulation

### Risk Types

Select Object:

Expand All | Collapse All

☐ Add Sub Risk Type  
☐ Delete  
☐ Reassign  
☐ Update

Select Focus	Name	Description
<input type="radio"/>	All Risk Types	this is root risk type
<input type="radio"/>	Compliance	
<input type="radio"/>	Efficiency	
<input type="radio"/>	Financial Statements	
<input type="radio"/>	Misconduct	
<input type="radio"/>	Internal Fraud	Internal Fraud

You can also Delete, Reassign, and Update Risk Types in this window. Note that there is no limit to the number of Risk Types or Risk Type levels.

Oracle Internal Controls Manager


Home Audits Planning Risk Library **Setup**

Risk Library | Audits | Issue Management | Opinions | Import | Regulation

Setup: Risk Library >

### Create Risk Type

\* Indicates required field

\* Name  Import Column Sequence   
 \* Risk Type Code  Description   
 End Date    
 (example: 15-Nov-2004)

### Regulations

Select All | Select None

Select Name

<input type="checkbox"/>	Sarbanes Oxley Act
<input checked="" type="checkbox"/>	Basel II

When creating Risk Types, map them to appropriate Regulations.

The following table provides further information on select fields in the Create Risk Type window.



Field	Details	Seeded Values
Risk Type Code	<p>Unique identifier for the Risk Type. A sequentially generated number is automatically defaulted, but can be changed by the user.</p> <p>Once the Risk Type is created, you cannot update the Risk Type Code.</p>	Sequentially generated number
Import Column Sequence	Column sequence number for the Web ADI upload. Upto 30 Risk Types can be imported through the spreadsheet upload.	N/A
Regulations	See the Risk Types and Regulations section below	NA

## Risk Types and Regulations

As noted earlier, Risks and Processes need to be classified as belonging to appropriate Regulations (Regulatory Environments) in order to meet Basel II requirements. This is done in the following way:

1. When a Risk is created, it is classified as having one or more Risk Types.

**Note:** For more details, refer to the section Risk Attributes., page 4-4

2. The Risk Type, when created, is mapped in turn to one or more Regulations. Different Regulations can therefore have different sets of Risk Types. For example, the SOX Regulation can have one set of Risk Types while the Basel II Regulation has a different set. Overlap is allowed and a particular Risk Type can be used by multiple Regulations.

**Note:** The only Regulations available when mapping a new subsidiary Risk Type to a Regulation are those associated with the parent Risk Type i.e. you can only map the subsidiary Risk Type to a Regulation that is also associated with the parent.

Similarly, a subsidiary Risk Type can only be reassigned to other Risk Types that are linked with the same Regulation as the original parent.

As a result of the mapping between the Risk, Risk Type, and Regulation, the created Risk is now associated with Risk Types within specific Regulations.

[Home](#)
[Audits](#)
[Planning](#)
[Risk Library](#)

[Processes](#)
[Risks](#)
[Controls](#)
[Audit Procedures](#)

[Risk Library: Risks](#) >

### Risk Details: Fraudulent Returns

This risk is being changed: Revision **6**

Risk Name **Fraudulent Returns**  
Likelihood **Often**

Impact **Major**  
Material **Yes**

[Basic Information](#)
[Processes](#)
[Controls](#)
[Objectives](#)
[Attachments](#)
[History](#)

---

#### Risk

Description **Fraudulent Returns**
Approval Status **Approved**

Approval Date **28-Apr-2004**
End Date **28-Apr-2004**

▼ [Risk Types for Sarbanes Oxley Act](#)

[Select All](#) | [Select None](#) | [Expand All](#) | [Collapse All](#)

☐

Select	Focus	Name	Description
<input type="checkbox"/>		▼ All Risk Types	this is root risk type
<input type="checkbox"/>		Compliance	
<input checked="" type="checkbox"/>		Efficiency	
<input checked="" type="checkbox"/>		Financial Statements	
<input checked="" type="checkbox"/>		Misconduct	

▶ [Risk Types for Basel II](#)

Note that if there are no Risk Types associated with a particular Regulation, then the application does not display that Regulation when viewing the Risk.

## Risks Search

A simple search can result in your risks being listed several times, once for every process and / or organization it is associated with.

You can optionally search for a subset of risks using the following dimensions:

- Risk Name.
- Revision. For more information, refer to Revising Objects in the Risk Library, page 6-4.
- Risk Likelihood. For more information, refer to the section on Risk Attributes, page 4-4.
- Search Context (accessed via the Advanced Search button). Three search contexts are available as follows:
  - The Risks Context search returns all risks in the system without their associated process or organization names.

- The Associated Process Context search returns all risks in the system that are associated with processes. Note that if a risk is associated with multiple processes or the same process in multiple organizations, then the risk will be listed more than once.
- The Organization Context search returns all risks associated with organizations (through processes in those organizations).

## Risk Views

You can view Risk objects in the context of both Risk Library and Organization.

Topic	Navigation Path
Viewing Risks	<p>To View Risks in the Risk Library:</p> <p>Using a super user (or equivalent) responsibility, click the Risk Library tab and then the Risks subtab.</p> <p>To View Risks in their Organizational Context:</p> <p>Using a super user (or equivalent) responsibility, click the Organization tab and then drill down into the appropriate org. Under the Risks subtab you can view risks both Entity Risks and Process Risk. Entity Risks are risks that directly bear on the organization. The Process Risks are risks that the processes in this organization are exposed to.</p>

## Controls

Company management plans, organizes, and directs the performance of sufficient actions to provide reasonable assurance that the firm's objectives and goals will be achieved. Controls are actions taken by management, the board of directors, and other parties to enhance risk management and increase the likelihood that established objectives and goals will be achieved.

The Controls tab allows you to change the orientation of your information from being centered around processes or other library objects in the organization to being centered around the control objects.

Design controls to mitigate process risk. As an example, if the risk is having the same person who enters suppliers also enter and pay invoices, then an example of a mitigating control would be to split the tasks or have someone review the payment register for unauthorized supplier payments. Monthly reconciliations, credit approvals before shipment occurs and separation of duties between billing, recording sales, and handling cash receipts are examples of controls for sales transactions.

# Setting up Controls in Oracle Internal Controls Manager

Oracle Internal Controls Manager allows you to create Controls in two ways:

- 1. Use the following menu path to manually create your controls.

Topic	Navigation Path
To manually create a control in the OICM Risk Library	Using the Internal Auditor (or equivalent) responsibility, click the Risk Library tab.  In the Controls subtab section, click the Create button.

**Note:** For more information on select fields in the Control details page, refer to the sections on Control Attributes, page 4-13.

If you save the control for later editing, the control is created with a status of "Draft." When the control is finalized, click on Update in the main Controls page and then submit the control for approval. If you need to update an approved control, drill into the control details and then select Revise.

Note that risk library objects can only be utilized in Oracle Internal Controls Manager after they are approved. Risks are approved/reapproved based on your setup of workflow rules and the approval hierarchy in the Oracle Approvals Management application. When the approval is complete, the control approval status changes to Approved.

**Note:** The use of Oracle Approvals Management for approving risk library objects is optional. For more details, refer to Manage the Process Risk Library, page 6-1.

To manually link the control with entity and process risk, use the following menu path:

Topic	Navigation Path	Oracle Internal Controls Manager Window
Manually associate Controls with Entity and Process Risk	<p>To Link the Control with Entity Risks:</p> <p>Using an Internal Auditor (or equivalent) responsibility, click the Organization tab and then drill down into the appropriate org. In the Org Details view, navigate to the Risks subtab and click Update Entity Risks.</p> <p>In the Update Entity Risks window, select the icon to Update Controls for the particular risk.</p> <p>To Link the Controls with Process Risks:</p> <p>Using a super user (or equivalent) responsibility, click the Organization tab and then drill down into the appropriate organization. From the Processes subtab, navigate to the Process Hierarchy Workbench (by clicking the Modify Process icon for the appropriate process). Drill into a Process in this workbench window and then click the Risks subtab.</p> <p>In this details view, click the Update button and then the 'Risks and Controls' subtab. In this window you can associate Controls with the Process Risks.</p>	Import Details

2. Import Risks from the Setup tab. Instead of creating controls manually and then associating them with controls and with processes individually, Oracle Internal Controls Manager provides a powerful import mechanism for risk and control objects. Using this import functionality you can import risks and controls and associate them with processes and organizations in a single step.

**Note:** For more information, refer to Importing Risks and Controls into Oracle Internal Controls Manager, page 4-20

You can view all entered controls in the main Risks page by navigating to the Risk Library > Risks sub-tab.

## Control Attributes

Controls have several attributes that provide more details on how a particular control is

implemented in Oracle Internal Controls Manager.

The screenshot shows the 'Create Control' form in the Oracle Internal Controls Manager. The form is divided into several sections. At the top, there is a navigation bar with links: Home, Audit Operations, Segregation of Duties, Organizations, Risk Library, and Setup. Below this is a sub-navigation bar with links: Processes, Risks, Controls (selected), Audit Procedures, Significant Accounts, and Import. The main section is titled 'Create Control' and includes a note: '\* Indicates required field'. The form contains the following fields and sections:

- Control Name**: A text input field.
- Physical Evidence**: A text input field.
- Classification**: A dropdown menu with 'Key' selected.
- Control Type**: A dropdown menu with 'Manual' selected.
- Automation Type**: A dropdown menu.
- Application**: A text input field with a magnifying glass icon.
- Control Source**: A text input field with a magnifying glass icon.
- Control Frequency**: A dropdown menu.
- Description**: A large text area.
- Approval Status**: A dropdown menu.
- Control Location**: A dropdown menu.
- Job Title**: A text input field with a magnifying glass icon.
- End Date**: A date picker with an example date '28-Sep-2006'.
- Verification Mechanism**: A section containing:
  - Verification Source**: A dropdown menu.
  - Verification Source Name**: A text input field.
  - Verification Instruction**: A text input field.

At the top right of the form, there are three buttons: 'Cancel', 'Save for Later', and 'Submit'.

The following sections provide more details on select attributes.

#### Control Name

The control name can be mandatory or optional, depending on a profile option. When it is optional, if the user does not enter a name, then the name is automatically generated by the system, based on a profile-defined prefix and a sequence number.

#### Physical Evidence

The physical evidence that should be provided if the control is a manual control, such as a physical signature from approver

#### Control Classification

Determines the extensible attributes displayed for the control.

For more information, refer to Extensible Attributes, page 14-1

#### Control Type

Lookup Type: AMW CONTROL TYPE

User Accessibility level: Extensible

The Control Type designates whether the control is inherently Automatic, Manual, a Combination of the prior two, or a Policy

Seeded Values	Description
Automatic	Profiles, Application Access, Workflows, KPIs are examples of Automatic controls. These controls are enforced within the E-Business suite.
Combination	Alerts are an example of controls that use a combination of both automatic and manual procedures. The Alert can automatically raise a flag when a condition is met and then manual intervention is initiated.
Manual	Manual procedures
Policy	Typically controls in the form of high level business policies that are implemented across the organization.

#### Automation Type, Application, and Control Source

Lookup Type: AMW AUTOMATION TYPE

User Accessibility level: System

If the Control Type is Automatic or Combination, then select the control's Automation Type. The Automation Type provides details on the kind of automatic control used to mitigate process risk.

Based on the value selected in the Automation Type field, select a corresponding Control Source. Control Sources are the names (values) of the automatic controls. For any given Automation Type, you can have a large number of corresponding control source values. For example, the Automation type "Profile" has potentially hundreds of profile values seeded in the Oracle E-Business Suite.

The Application field allows you to restrict the values in the Controls Source list of values. Once you link an Application with the Automation Type, the Control Source values are limited to those values in the selected Application.

Seeded Values	Control is implemented through:	Control Source Values
Profiles	Profile options and registered application parameters	All system profile option values
Setup	Application controls monitoring	Setup parameters from application controls monitoring

Seeded Values	Control is implemented through:	Control Source Values
Application Access	Restricted application access	Form Functions
System Access	Restricted system access	No control source
Change Control	Controls defined in Oracle Internal Controls Manager	No control source
Workflow	Registered workflow activities in the application	All registered workflows
Alert	Alert notifications	No control source
Report	Applications reports	All reports in the system
Segregation of Duties	Segregation of Duties constraints	All defined Segregation of Duties constraints
Built In	Oracle Applications	No control source
KPI	KPIs in the E-Business Suite modules or the Oracle Performance Management Framework. You can set process control limits that notify you when the limits are exceeded.	All available KPIs from the Performance Management Framework
Manual	Manual procedures	No control source

### Control Frequency

Lookup Type: AMW\_CONTROL\_FREQUENCY

Denotes how often the control is executed / implemented.

Seeded values for control frequency are:

- Daily
- Monthly
- With Every Transaction
- Weekly



## Disclosure vs. Key Control

Identify the control as a disclosure and/or a key control.

Companies devise and maintain a system of key internal accounting controls to ensure that financial transactions are valid, properly authorized and complete (so financial statements can be prepared in accordance with GAAP). Auditors focus primarily on the key internal controls that are of a financial nature.

Disclosure controls and procedures on the other hand are more geared towards ensuring that information required to be disclosed in financial statements and filings is properly recorded, classified, processed, and reported on a timely basis.

However, in implementing Sarbanes-Oxley laws in the USA, the SEC has deliberately defined disclosure controls to encompass more than the limited concept of internal controls. Hence, in addition to the traditional measures, disclosure controls include all systems necessary for the full, timely disclosure of all areas of operations in the company's financial reports. The SEC explicitly includes procedures designed to ensure that the company timely collects and communicates reportable information to management. The disclosure control system should also integrate the company's internal controls and any other protective programs in the company.

## Preventive vs. Detective Controls

Select whether the control is one or more of the following:

- Preventive Control
- Detective Control

## Verification Mechanism

The verification mechanism allows auditors to record the verification of control settings in Oracle E-Business suite apps. Verification ensures that the current settings yield an appropriate level of control.

An example of a control setting is the "Match Type" setting in accounts payable.

- A company could run its enterprise or its operating unit with matching turned off. It might choose to enforce that Invoices must have a matching purchase order.
- It might choose to enforce that the invoices have both a matching purchase order and receipt.
- It might choose to enforce that invoices have a matching purchase order and a receipt that has been quality assured.

A control setting could be verified by:

- Automatically through a named function
- Manually through a named User Interface

- Manually through reviewing a report.

#### Internal Control Components

These are predefined components affecting the organization's audit environment. The seeded components shown below are from the COSO framework. You may classify the control as belonging to one of these domains.

- Control Activities
- Internal Environment
- Event Identification
- Information and Communication
- Monitoring
- Objective Setting
- Risk Assessment
- Risk Response

**Note:** For more information on these components, see *Creating an Assessment in Oracle Internal Controls Manager*.

#### Control Purposes

A taxonomy of the purpose of the control

- Initiating
- Processing
- Recording
- Reporting

#### Control Assertions and Objectives

The framework used to evaluate the controls that mitigate process and account balance risk includes:

- Control Assertions
- Control Objectives (also called Control Categories in the application)

Accordingly, for each control, Oracle Internal Controls Manager allows you to assign objectives and assertions.

#### a. Control Assertions

Lookup Type: AMW CONTROL ASSERTIONS

Accessibility Level: Extensible

Assertions refer to implied or expressed representations by management about an organization's processes and/or the components of its financial statements. Auditing standards classify assertions into five broad categories as follows:

- Existence or Occurrence
- Completeness
- Valuation or Measurement
- Rights and Obligations
- Presentation and Disclosure

#### b. Control Objectives (Control Categories)

Lookup Type: AMW CONTROL OBJECTIVES

Accessibility Level: Extensible

Control objectives provide a platform to help the auditor accomplish the following tasks:

- Accumulate sufficient competent evidence as required by audit standards.
- Decide on the proper evidence to accumulate given the circumstances of the audit engagement.

Control objectives can also be used to verify a control's design and operational effectiveness. Seeded values for control objectives are:

- Effectiveness and efficiency of operations
- Reliability of Financial Statements
- Compliance with applicable laws and regulations
- Safeguarding Information and Systems

#### Control Location

Lookup Type: AMW CONTROL LOCATION

Accessibility Level: Extensible

The control location refers to the geographic scope and implementation of the control. Seeded values for control locations are:

- Global
- Local
- Regional

Control Approval Status

Lookup Type: AMW CONTROL APPROVAL STATUS

Accessibility Level: System

The Approval Status of the Control. To be available for use in Oracle Internal Controls Manager, a Control must have a status of "Approved." Seeded values for control approval status are:

- Approved
- Draft
- Pending Approval
- Rejected

## Controls Search

You can optionally search for a subset of controls using the following dimensions:

- Control Name
- Control Location
- Control Type
- Automation Type

**Note:** For more information, refer to the section Control Attributes., page 4-13

## Importing Risks and Controls into Oracle Internal Controls Manager

As in the case of processes, companies build up libraries of risks and controls that apply to their organizations based on the nature of their businesses. With the import functionality in Oracle Internal Controls Manager, audit professionals can import risks and controls from a file thereby leveraging the presence of existing repositories.

Oracle Internal Controls Manager uses Oracle Web ADI for the import of risks, controls and risk-control associations. Web ADI provides many advantages including the use of

a native spreadsheet interface. You can copy risk library objects into a spreadsheet and make use of the Web ADI framework to import them. The spreadsheet has a dynamic layout based on the risk objects being imported.

Use the Risk Library > Import tab in Oracle Internal Controls Manager to import risk and control objects into both the Risk library and organizations. Note that risks and controls constitute relatively static data and most organizations will therefore import this information infrequently.

Topic	Navigation Path
Import Risks and Controls	Using a super user (or equivalent) responsibility, click the Risk Library tab and then the Import subtab

HomeAudit OperationsSegregation of DutiesOrganizationsRisk LibrarySetup

ProcessesRisksControlsAudit ProceduresImport

[Import Processes](#)

[Import Risks and Controls](#)

[Import Risks and Controls in Organization](#)

[Import Controls](#)

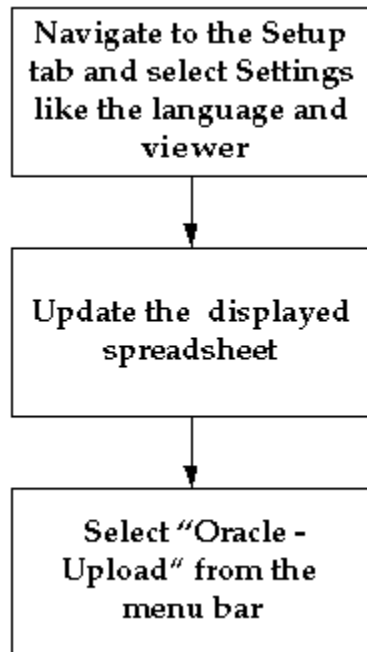
[Import Audit Procedures](#)

[Import Process to Key Account Associations](#)

Oracle Internal Controls Manager provides three paths for the import of risk and control objects:

- Import Risks and Controls (into the Risk Library)
- Import Risks and Controls in Organizations
- Import Controls

**Note:** While all risk and most control attributes can be imported using the import paths "Import Risks and Controls" and "Imports Risks and Controls in Organizations," the "Import Controls" path enables the detailed and complete import of control objects only.



As shown in the above diagram, Oracle Internal Controls Manager first requires that you select user settings like the language and viewer (Excel 1997/2000). The spreadsheet is then displayed and you can enter/copy values into these cells. Finally select Oracle - Upload from the menu bar to begin the import process.

**Note:** Web ADI is certified against Excel 2002 (XP). For more details, refer to Using Web ADI with Excel 2002 (XP), page 4-35

## Import Risks and Controls (into the Risk Library)

Using the "Import Risks and Controls" hyperlink, audit professionals can import risks, controls, and their associations with processes into the Risk Library.

During the import, risks and controls are created if they do not exist and updated if they are already in the system. Attributes of risks and controls are the major part of the risk-control spreadsheet and objects are updated with these attributes.

The import also allows you to associate risks and controls with processes. Note that though the import of risks and controls can be done separately in this spreadsheet, the risk-control association does not exist by itself in the application i.e. risk and control objects can only be linked to one another in the context of a process. Hence your

associated processes must reside in the Risk Library if you choose to link risks and controls with processes in the import.

Validation of the import data is done within the spreadsheet itself through lists of values for all lookup based columns.

The following table lists the fields in the import spreadsheet:

Field Name	Mandatory	Validation
Process Code	No	All valid process codes in the system
Process Name	No	All valid processes in the system
Process Objective Name	No	Valid process objective names for objectives already stored in the system OR Enter the name for new process objectives.
Process Objective Description	No	None
Risk Name	Yes	Valid names for risks already stored in the system OR Enter the name for new risks.
Revise Risk	No	Y/N
Risk Description	Yes	None
Compliance (Risk Type)	At least one of the four risk types is mandatory	Y/N
Efficiency (Risk Type)	At least one of the four risk types is mandatory	Y/N

Field Name	Mandatory	Validation
Financial Statements (Risk Type)	At least one of the four risk types is mandatory	Y/N
Misconduct (Risk Type)	At least one of the four risk types is mandatory	Y/N
Likelihood	Yes	AMW_LIKELIHOOD
Impact	Yes	AMW_IMPACT
Material Risk	No	Y/N
Material Value	No	None
Risk Approval Status	No	Approved, Draft
Risk Classification	No	All valid Risk Classifications in the system
Control Name	No	Valid names for controls already stored in the system OR Enter the name for new controls
Revise Control	No	Y/N
Control Description	No	None
Associate Audit Procedure	No	Valid names of audit procedures already stored in the system
Design Effectiveness	No	Y/N



Field Name	Mandator y	Validation
Operating Effectiveness	No	Y/N
Control Approval Status	No	Approved, Draft
Control Location	No	AMW_CONTROL_LOCATION
Control Type	No	AMW_CONTROL_TYPE
Automation Type	No	AMW_AUTOMATION_TYPE
Application	No	To restrict the values in the Controls Source list of values. Refer to Automation Type in the section on Control Attributes, page 4-13
Control Source	No	Valid Control Sources. Refer to Automation Type in the section on Control Attributes, page 4-13
Physical Evidence	No	None
Business Group	No	<p>PER_BUSINESS_GROUPS table. Accessible under Work Structures -&gt; Organizations in Oracle Human Resources.</p> <p>The Business Group is used to identify the job titles to be shown. If you have a (manual) control that needs to be signed, you can identify that individual's minimum level using the job title. The Business Group is typically obtained from the user profile when the user is logged into the application. However, the same is not available from a WebAdi session and hence the need to enter this info during control upload.</p>
Job Name	No	PER_JOBS table. Accessible under Work Structures -> Jobs in Oracle Human Resources. The Business Group column must be populated to see the associated Job Name.
Preventive Control	No	Y/N
Detective Control	No	Y/N
Disclosure Control	No	Y/N

<b>Field Name</b>	<b>Mandator y</b>	<b>Validation</b>
Key Control	No	Y/N
Verification Source	No	Form, Report
Verification Source Name	No	None
Verification Instruction	No	None
Control Classification	No	All valid control classifications in the system
Ctrl Comps (Control Components) - Control Activities	No	Y/N
Ctrl Comps (Control Components) - Internal Environment	No	Y/N
Ctrl Comps (Control Components) - Information and Communication	No	Y/N
Ctrl Comps (Control Components) - Monitoring	No	Y/N
Ctrl Comps (Control Components) - Risk Assessment	No	Y/N

Field Name	Mandator y	Validation
Ctrl Comps (Control Components) - Objective Setting	No	Y/N
Ctrl Comps (Control Components) - Risk Response	No	Y/N
Ctrl Comps (Control Components) - Event Identification	No	Y/N
Ctrl Ctgrs (Control Categories) - Effectiveness and efficiency of operations	No	Y/N
Ctrl Ctgrs (Control Categories) - Reliability of Financial Statements	No	Y/N
Ctrl Ctgrs (Control Categories) - Compliance with applicable laws and regulations	No	Y/N
Ctrl Ctgrs (Control Categories) - Safeguarding Information and Systems	No	Y/N

Field Name	Mandatory	Validation
User defined Control Categories 1 ... N	No	AMW_CONTROL_OBJECTIVES
Ctrl Asserts (Controls Assertions) - Existence or Occurrence	No	Y/N
Ctrl Asserts (Controls Assertions) - Completeness	No	Y/N
Ctrl Asserts (Controls Assertions) - Valuation or Measurement	No	Y/N
Ctrl Asserts (Controls Assertions) - Rights and Obligations	No	Y/N
Ctrl Asserts (Controls Assertions) - Presentation and Disclosure	No	Y/N
User defined control assertions 1 ... N	No	AMW_CONTROL_ASSERTIONS

## Import Risks and Controls in Organizations

Using the "Import Risks and Controls in Organizations" hyperlink, audit professionals can import risks, controls, and their associations with specific organizational processes in the application.

Note that applicable organizational processes must reside in the application before you can execute this import. Hence the prerequisites for the import are:

1. Setup valid organizations in the application
2. Import processes into the Risk Library and associate these processes to the organizations

The new risk and control objects are imported into BOTH the Risk Library and applicable organizations. Validation of the import data is done within the spreadsheet itself through lists of values for all lookup based columns. During the import, risks and controls are created if they do not exist and updated if they are already in the system. Attributes of risks and controls are the major part of the risk-control spreadsheet and objects are updated with these attributes.

The fields in this import spreadsheet are exactly the same as those listed in the previous section (for the Import of Risks and Controls into the Risk Library) with the following two exceptions:

- The mandatory Organization Name at the top of the spreadsheet. Note that you can import the data into only one organization at a time.
- Process Names are mandatory as well. This import is for the creation of risk and control objects and their association with specific organizational processes.

Note the following points with regard to the import of risks and controls in both Risk Library and organizations:

1. For user defined control categories (control objectives) and control assertion columns to appear in the spreadsheet, they must first be defined in the Oracle Internal Controls Manager Lookup Tables (under the AMW\_CONTROL\_OBJECTIVE and AMW\_CONTROL\_ASSERTIONS Lookup Types). It is mandatory that these lookups also have an associated Tag Number when set up. Using the Internal Controls Manager Super User (Forms) or equivalent responsibility, navigate to the Lookup windows to complete this task.
2. Web ADI uploads the data from the spreadsheet into the AMW\_RISKS\_CONTROLS\_INTF interface table. A concurrent program then uploads the data from the interface table to the base tables. Any errors that occur during the import process are flagged as errors with appropriate error messages.
3. You may import and link (with processes) risks and controls that have a status of "Draft." However when a process is submitted for approval, the application will validate that all associated risk and control objects are first approved. If not, the submission for process approval will be rejected.
4. The revise flag set to "Y" for either risk or control fields implies that the attributes of the risk and/or control will be updated with the values listed in the spreadsheet. Oracle Internal Controls Manager will then attach the new attribute values to the

risk and control even if they are blank. The revise flag value "N" for either of these fields will indicate that the associated attribute values in the spreadsheet are to be ignored.

5. As noted earlier, all risk and most control attributes can be imported using the import paths "Import Risks and Controls" and "Imports Risks and Controls in Organizations." Use the "Import Controls" path for the detailed and complete import of control objects.
6. If set to "Yes," the profile option AMW: Risks Controls in Organization - Delete after Import will delete controls from the interface table after their successful import via WEBADI.

## Import Controls

Using the "Import Controls" hyperlink, you can import the details of controls objects into the application.

The following table lists the fields in the import spreadsheet:

Field Name	Mandato ry	Validation
Control Name	Yes	Valid control names for controls already stored in the system. For existing controls, the upload will update their attributes. You can enter the control name if it does not exist in the application.
Revise Control	No	Y/N
Control Description	Yes	None
Control Approval Status	No	Approved, Draft
Control Location	No	AMW_CONTROL_LOCATION
Control Type	Yes	AMW_CONTROL_TYPE
Automation Type	No	AMW_AUTOMATION_TYPE

Field Name	Mandato ry	Validation
Application	No	To restrict the values in the Controls Source list of values. Refer to Automation Type in the section on Control Attributes, page 4-13
Control Source	No	Valid Control Sources. Refer to Automation Type in the section on Control Attributes, page 4-13
Physical Evidence	No	None
Business Group	No	<p>PER_BUSINESS_GROUPS table. Accessible under Work Structures -&gt; Organizations in Oracle Human Resources.</p> <p>The Business Group is used to identify the job titles to be shown. If you have a (manual) control that needs to be signed, you can identify that individual's minimum level using the job title. The Business Group is typically obtained from the user profile when the user is logged into the application. However, the same is not available from a WebAdi session and hence the need to enter this info during control upload.</p>
Job Name	No	PER_JOBS table. Accessible under Work Structures -> Jobs in Oracle Human Resources. The Business Group column must be populated to see the associated Job Name.
Preventive Control	No	Y/N
Detective Control	No	Y/N
Disclosure Control	No	Y/N
Key Control	No	Y/N
Verification Source	No	Form, Report
Verification Source Name	No	None

Field Name	Mandato ry	Validation
Verification Instruction	No	None
Unit of Measure	No	Per the profile option AMW: Unit of Measure Class for Control Frequency
Control Frequency	No	NA
Control Classificatio n	No	All valid Control Classifications in the system
Ctrl Comps (Control Components ) - Control Activities	No	Y/N
Ctrl Comps (Control Components ) - Internal Environmen t	No	Y/N
Ctrl Comps (Control Components ) - Information and Communicat ion	No	Y/N
Ctrl Comps (Control Components ) - Monitoring	No	Y/N



Field Name	Mandato ry	Validation
Ctrl Comps (Control Components ) - Risk Assessment	No	Y/N
Ctrl Comps (Control Components ) - Objective Setting	No	Y/N
Ctrl Comps (Control Components ) - Risk Response	No	Y/N
Ctrl Comps (Control Components ) - Event Identificatio n	No	Y/N
Ctrl Ctgrs - Effectiveness and efficiency of operations	No	Y/N
Ctrl Ctgrs - Reliability of Financial Statements	No	Y/N
Ctrl Ctgrs - Compliance with applicable laws and regulations	No	Y/N

Field Name	Mandato ry	Validation
Ctrl Ctgrs - Safeguardin g Information and Systems	No	Y/N
Ctrl Asserts - Existence or Occurrence	No	Y/N
Ctrl Asserts - Completeness	No	Y/N
Ctrl Asserts - Valuation or Measurement	No	Y/N
Ctrl Asserts - Rights and Obligations	No	Y/N
Ctrl Asserts - Presentation and Disclosure	No	Y/N
Ctrl Purposes - Initiating	No	Y/N
Ctrl Purposes - Processing	No	Y/N
Ctrl Purposes - Recording	No	Y/N

Field Name	Mandato ry	Validation
Ctrl Purposes - Reporting	No	Y/N

If set to "Yes," the profile option AMW: Controls - Delete after Import will delete controls from the interface table after their successful import via WEBADI.

### Using Web ADI with Excel 2002 (XP)

For Web ADI to work with Excel 2002 (XP), perform the following three steps:

1. Open Excel 2002
2. Go to Tools -> Macro -> Security -> Trusted Sources
3. Check the "Trust access to Visual Basic Project"

**Note:** For more information, refer to Importing Processes using Web ADI, page 2-14

## Export Risk and Control Objects

The application allows you to export Risk Library objects and associations from the database using Web ADI. Use this DOWNLOAD feature to compare and synchronize the database information with any spreadsheets that you maintain outside Oracle Internal Controls Manager. The format of the download spreadsheets mirror those used for the corresponding upload.

Export Risks and Controls

Topic	Navigation Path
Download Risks and Controls	Using a super user (or equivalent) responsibility, click the Risk Library tab and then the Processes subtab.  Drill down into the appropriate Process to access the Download RCM button.

Export Controls

Topic	Navigation Path
Download Controls	Using a super user (or equivalent) responsibility, click the Risk Library tab and then the Controls subtab to access the Download Controls button.

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# Audit Procedures in Internal Controls Manager

This chapter covers the following topics:

- Introduction
- Setting up Audit Procedures in Oracle Internal Controls Manager
- Importing Audit Procedures into Oracle Internal Controls Manager
- Creating Audit Procedures within an Audit Engagement

## Introduction

Auditors need to acquire an understanding of the internal control structure to assess control risk. This assessment is made in relation to control assertions and objectives in the organization's control environment.

**Note:** For more information, refer to Control Assertions and Objectives in the section Control Attributes, page 4-13.

Whether control policies, systems, and measures are believed to be effectively designed or not, auditors will assess the risk to be at a level that reflects their evaluation of an organization's internal controls. In all cases, once a control risk assessment is made, audit procedures must be designed to test the controls.

Audit procedures provide detailed steps to be performed during audit fieldwork. They are designed to achieve specific audit objectives by validating the effectiveness of controls, in terms of their design as well as their operation. Audit procedures in Oracle Internal Controls Manager can therefore be identified as verifying design effectiveness, operating effectiveness, or both.

Audit procedures to test the effectiveness of controls involve activities like the following:

- Inquiries of client personnel
- Examination of documents and records
- Accounting for the integrity of transactions. For example, this can take the form of checking the numerical sequence of invoices.
- Observation of the application of policies and procedures

In Oracle Internal Controls Manager, you can associate audit procedures with the controls that the procedures are supposed to verify. You can also verify the details of all the past results for each audit procedure.

## Setting up Audit Procedures in Oracle Internal Controls Manager

Audit procedures provide detailed steps to be performed during audit fieldwork. The following measures must be undertaken to set up and use audit procedures in Oracle Internal Controls Manager:

1. Create audit procedures
2. Associate audit procedures with controls.
3. Enter testing results for audit procedures in Audit Engagements

**Note:** Instead of creating audit procedures manually and then associating them with process controls, Oracle Internal Controls Manager provides a powerful import mechanism for audit procedure objects.

Using this import functionality you can import audit procedures and associate them with controls in a single step. For more information, refer to the section Importing Audit Procedures into Oracle Internal Controls Manager, page 5-5.

You can view all created audit procedures in the main Audit Procedures window by navigating to the Risk Library > Audit Procedures sub-tab.

### 1. Create Audit Procedures

Topic	Navigation Path
Create Audit Procedures	<p>Using an Oracle Internal Controls Manager Super User (or equivalent) responsibility, navigate to the Risk Library tab and the Audit Procedures sub tab to access the Create button.</p> <p>The procedure is created for a particular classification.</p>

**Note:** For more information on Classifications, refer to Extensible Attributes in Oracle Internal Controls Manager, page 14-1.

In the Create Audit Procedure window you can choose to End Date the procedure.

If you save the procedure for later editing, the procedure is created with a status of "Draft." When the procedure is finalized, click on Update in the main Audit Procedures page and then submit the procedure for approval. If you need to update an approved procedure, drill into the procedure details and then select Update.

Note that risk library objects can only be utilized in the application after they are approved. Audit procedures are approved/reapproved based on your setup of workflow rules and the approval hierarchy in the Oracle Approvals Management application. When the approval is complete, the procedure approval status changes to Approved.

**Note:** The approval process for approving risk library objects is optional. For more details, refer to Manage the Process Risk Library, page 6-1.

Audit Procedure Steps: When seeding audit procedures in Oracle Internal Controls

Manager, you can also create its steps by entering the details of tasks that make up the procedure. Audit Steps allow the assignment of work at the most granular level needed to accomplish the audit task.

Topic	Navigation Path
Create Audit Procedure Steps	Drill into an existing audit procedure to access the Steps subtab.

Enter a sequence number for a chronological listing of the step. You can optionally enter a sample size for the data to be worked on in a particular step.

## 2. Associate Audit Procedures with Controls

Topic	Navigation Path
Associate Audit Procedures with Controls	Drill into an existing audit procedure to access the Controls subtab.

Home Audit Operations Segregation of Duties Organizations Risk Library Setup

Processes | Risks | Controls | **Audit Procedures** | Significant Accounts | Import

Risk Library: Audit Procedures > Select Classification >

**Create Audit Procedure**

\* Indicates required field

Cancel Save For Later Submit

\* Name **Review A/R trial balance for unusual receivables**

Description

End Date

Classification **Financial Audit Procedure**

Controls Attachments Steps Audit Project Tasks Financial Audit Procedure

Select Control Associations to Remove Add Controls

Select All Select None

Select Name	Description	Design Effectiveness	Operating Effectiveness
<input type="checkbox"/> Sales Manager Approval	Sales Manager Approval	Yes	Yes
<input type="checkbox"/> Pricing Policy	Make sure price applied on an order is from the price list	Yes	No

Audit procedures are written to verify the effectiveness of the organization's internal controls. Once audit procedures are created, the next step is to associate them with controls that you have set up in the system.

The Controls subtab shows all controls that this procedure is related with and you can search for additional controls to link with the audit procedure. When you associate a control with an audit procedure in Oracle Internal Controls Manager, you can identify if it is intended to verify design effectiveness, operating effectiveness or both.



### 3. Enter Results for an Audit Procedure in an Audit Engagement

Topic	Navigation Path
Enter results and opinions for an audit procedure	<p>Using an Internal Auditor (or equivalent) responsibility, navigate to the Audit Operations tab. Click on Engagement subtab and drill into the details of the appropriate engagement.</p> <p>Select the Task faint tab and drill into the task to access the audit procedure linked to that task. Then click on the Status column hyperlink for this audit procedure to update the procedure with a result.</p>
Enter control evaluation based on an audit procedure	<p>Using an Internal Auditor (or equivalent) responsibility, navigate to the Audit Operations tab. Click on Engagement subtab and drill into the details of the appropriate engagement.</p> <p>Click on Control faint tab at the engagement detail page and then on the Show hyperlink (for a control) to show audit procedures for the control. Click on the Evaluate Control icon to enter the control evaluation based on this particular audit procedure.</p>

**Note:** For details on entering results and evaluations for procedures in an engagement, refer to Audit Engagements in Oracle Internal Controls Manager, page 8-1.

You can at any time, drill into the Audit Procedure Details to view the controls that the audit procedure is verifying.

It is important to note that a business process that is executed in a particular environment will incur a unique risk. The same process running in a different environment can result in a different level of risk. Audit results and opinions are therefore entered for controls mitigating process risk within specific organizations.

### Importing Audit Procedures into Oracle Internal Controls Manager

As with processes and other risk library objects, companies build up libraries of audit procedures that apply to their organizations based on the nature of their businesses.

With the import functionality in Oracle Internal Controls Manager, audit professionals can import audit procedures from a file thereby leveraging the presence of existing repositories.

Oracle Internal Controls Manager uses Oracle Web ADI for the import of audit procedures and procedure-control associations. Use the Risk Library tab in Oracle Internal Controls Manager to import audit procedures.

Topic	Navigation Path
Import Audit Procedures	Using a super user (or equivalent) responsibility, click the Risk Library tab and then the Import subtab to access the option "Import Audit Procedures."

## To Import Audit Procedures

Use the "Import Audit Procedures" hyperlink to import procedures and associate them with controls in the application.

**Note:** You cannot create control objects during this import. All controls must be created before you can link them with audit procedures in the spreadsheet.

**Note:** Note that it is not mandatory to associate controls with audit procedures during the import.

During the import audit procedures are created if they do not exist and updated if they are already in the system. Attributes of the audit procedures are the major part of the spreadsheet and objects are updated with these attributes. Validation of the import data is done within the spreadsheet itself through lists of values for all lookup based columns.

The following table lists the fields in the import spreadsheet:

Field Name	Mandatory	Validation
Audit Procedure Name	Yes	None
Description	No	None
Approval Status	No	Draft, Approved

Field Name	Mandatory	Validation
End Date	No	(MM-DD-YYYY)
Revise	No	(Y/N)
Control Name	No	Valid names for controls already stored in the application
Design Effectiveness	No	(Y/N)
Operating Effectiveness	No	(Y/N)
Step Number	Yes	None
Step Name	Yes	None
Step Description	No	None
Sample Size	No	None
Audit Procedure Classification	No	All valid classifications for audit procedures

Web ADI uploads the data from the spreadsheet into an interface table. A concurrent program then uploads the data from the interface table to the base tables. Any errors that occur during the import process are flagged as errors with appropriate error messages.

## Creating Audit Procedures within an Audit Engagement

In addition to the usual method of creating or importing Audit Procedures in the Risk Library, you can also create Audit Procedures within the course of an Audit Engagement. The requirement for running these procedures will normally arise during the course of the engagement.

**Note:** For more information, refer to Creating Audit Procedures within the scope of an Audit Engagement, page 5-7.



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## Risk Library Change Control

This chapter covers the following topics:

- Introduction
- Manage the Risk Library

### Introduction

Regulations in many countries impose a burden on management for establishing and maintaining an adequate internal control structure in an enterprise. Annual reports must often contain an assessment of the effectiveness of the internal control structure and procedures for financial reporting. In addition, external auditors are often required to express an opinion on management's assertion of the adequacy of internal controls.

There are two important tasks that must be undertaken to establish the adequacy of an enterprise's internal control structure:

1. Identify, approve, and certify the business processes of the enterprise.

**Note:** For detailed information on defining and approving processes in Oracle Internal Controls Manager, refer to Overview of Process Setups in Oracle Internal Controls Manager, page 2-1 and Process Approvals and Change Management, page 3-1.

2. Manage all other objects in the risk library as described in this chapter. These are the risks, controls, and audit procedures related to the firm's business processes.

### Manage the Risk Library

**Note:** As noted above, this chapter applies to risk, controls, and audit procedure objects.

An important benefit of Oracle Internal Controls Manager is its ability to leverage the presence of libraries of reusable risk library objects that can be associated with the business process within an organization. However, a key success factor in the use of these libraries is the accuracy of their data.

To maintain the integrity of information within the risk library, creation or modification of library items in Oracle Internal Controls Manager is controlled by an approval process. Therefore, when any library object is created or modified, a new revision of the object is created with a status "Draft."

Draft library objects can be associated with processes and organizations, but no auditing can be performed on them. Before a process can be submitted for approval, all its associated library objects like risks, controls, etc. must first be approved. Only approved processes can be assigned to organizations and hence used in the application.

All requests for the creation or modification of risk library objects are submitted for approval to approvers defined in Oracle Approvals Management.

**Note:** The use of Oracle Approvals Management is optional. If you choose not to go through the approval process, the profile option AMW: Disable Workflow Approval must be set to "Yes." In this case, the risk library objects are automatically approved (clicking the Submit button has no effect).

The Oracle Approvals Management application provides the following features:

- The ability to route approvals based on a hierarchy. Hierarchies are defined using Approval Rules set up in Oracle Approvals Manager. You can define a different approval hierarchy for different types of items in the risk library.

Each type of item which goes through an approval process is defined as a "Transaction Type" in the Approval Manager. Transaction types are defined for risks, controls, and audit procedures.

- The ability to review and monitor the approval process (for example, through notifications or workflow process diagrams using the Workflow Monitor).

Oracle Approvals Management provides a generic workflow approval system as a default. If no specific approval rules are defined for an object, then a "Default Approver" will be notified.

**Note:** For more information on setting up approval rules for risks, controls, and audit procedures, refer to the Oracle Approvals Management Implementation Guide.

To use Oracle Approvals Management, you must set the following:

- The profile option AMW: Disable Workflow Approval must be set to "No."

- A Workflow Background Process having the Item Type AMW: Generic Approvals must be active.
- The profile option AMW: Time-out limit for Control, Risk and Audit Procedure Approval (number, in days) can be used to restrict the response time from Oracle Approvals Management.

## Certifying New Objects in the Risk Library

When any of these risk library objects are created, the item's Approval Status is set to "Draft." Drill down into the object's details page and click Submit to initiate a workflow process and notify approvers based on rules defined in the Oracle Approvals Management module.

When all approvals are complete, the Approval Status changes to "Approved." In case the record is rejected, the status changes to "Rejected." Note that you can save a record in "Draft" Approval Status and update it at any time prior to submission.

The following table lists the details of Approval Statuses for risk library objects in Oracle Internal Controls Manager:

Library Object	Seeded Values	Lookup Type	Accessibility Level
Risks	Approved Draft Pending Approval Rejected	AMW_RISK_APPRO VAL_ STATUS	System
Controls	Approved Draft Pending Approval Rejected	AMW_CONTROL_A PPROVAL_ STATUS	System
Audit Procedures	Approved Draft Pending Approval Rejected	AMW_PRCDR_APPR V_ STATUS	System

**Note:** For information on creating new risk library objects, refer to the following sections:

- Setting up Risks in Oracle Internal Controls Manager, page 4-2.
- Setting up Controls in Oracle Internal Controls Manager, page 4-12.
- Setting up Audit Procedures in Oracle Internal Controls Manager,

## Revising Objects in the Risk Library

After a library item is approved, you cannot modify the current approved version of that item. Instead Oracle Internal Controls Manager allows you to create a new version and submit it for approval. Note that this submission triggers another workflow approval process.

Create a new revision of a Risk, Control, or Audit Procedure by navigating to the details section of the object from the home page or search results page and clicking the Update button. This revision is then submitted for approval. Once the new version of the item is approved, the newly created object becomes the latest approved copy and the old "Approved" object is available under the "History" section in the item's detail page.

If a revision already exists and is pending "Approval," then you can modify the details of that revision as long as the changes are not submitted for approval. Any changes will be saved under the current revision. A new revisions will also be generated if the old record had a "Rejected" status.

The following table lists the details of Revision statuses for risk library objects in Oracle Internal Controls Manager:

Library Object	Seeded Values	Lookup Type	Accessibility Level
Risks, Controls, Audit Procedures	Inactive Revised Objects Unapproved New Revision Approved	AMW_REVISION_VI EW_CHOICE	System

## Approval and Revision Status Values

The (Approval) Status and Revision states of a risk library object provide important information regarding its authority and certification. For a risk library object to be used in an audit engagement, it must be "Approved."



<a href="#">Home</a> <a href="#">Audit Operations</a> <a href="#">Segregation of Duties</a> <a href="#">Organizations</a> <a href="#">Risk Library</a> <a href="#">Setup</a>									
<a href="#">Processes</a> <a href="#">Risks</a> <a href="#">Controls</a> <a href="#">Audit Procedures</a> <a href="#">Significant Accounts</a> <a href="#">Import</a>									
<b>Risks</b>									
<b>Views</b>									
View <a href="#">Active Risks</a> <a href="#">Go</a> <a href="#">Personalize</a> <span style="float: right;"><a href="#">Simple Search</a></span>									
<input checked="" type="radio"/> Indicates Risk is undergoing changes.									
<a href="#">Create</a> <span style="float: right;"> <a href="#">Previous</a> <a href="#">1-10</a> <a href="#">Next 10</a> </span>									
Risk Name	Revised	Revision Number	Approval Status	Risk Likelihood	Risk Impact	Material	Revision Status	Update	Delete
<a href="#">Inappropriate Credit Limits</a>		1	Approved	Often	Major	Yes	Approved		
<a href="#">Duplicate Payments</a>		1	Approved	Unlikely	Moderate	Yes	Approved		
<a href="#">Unable to reconcile AP trial balance to GL</a>		1	Approved	Rare	Major	Yes	Approved		
<a href="#">Wrong Price List</a>		1	Approved	Rare	Insignificant	Yes	Approved		
<a href="#">Incomplete processing of supplier invoices</a>		2	Draft	Often	Moderate		New Revision		
<a href="#">Fraudulent Returns</a>		2	Draft	Often	Minor		New Revision		
<a href="#">Fraudulent Vendor Payments</a>		2	Draft	Rare	Major		New Revision		
<a href="#">Invalid Pricing</a>		1	Approved	Rare	Insignificant	Yes	Approved		
<a href="#">Unauthorized projects are set-up in Projects (Oracle 10.7).</a>		1	Approved	Most Time	Major	No	Approved		
<a href="#">Projects are improperly capitalized.</a>		1	Approved	Most Time	Major	No	Approved		
<a href="#">Create</a> <span style="float: right;"> <a href="#">Previous</a> <a href="#">1-10</a> <a href="#">Next 10</a> </span>									

## Initial Creation of a Risk Library Object

When you create an object, its Approval Status is "Draft" and the Revision Status is "Unapproved." When you submit the object for approval, the Approval Status becomes "Pending Approval" (Revision Status remains "Unapproved") and then "Approved" or "Rejected." The Revision Status changes to "Approved" only upon approval of the object.

## Revision of a Risk Library Object

If you choose to Revise an Approved object, a new version is created with an Approval Status of "Draft" and a Revision Status of "New Revision." The Revision Status of the existing approved object becomes "Revised Object."

This revised version object can then be submitted for approval. Once approved both Approval Status and Revision status become "Approved." The Revision Status of the old Approved object becomes Inactive.

The following tables summarize the Approval and Revision Statuses of risk library objects.

### Initial Creation of a Risk Library Object

<b>Action/State of the Risk Library Object</b>	<b>Approval Status</b>	<b>Revision Status</b>
Create a Risk Library object	Draft	Unapproved
Submit for approval	Pending Approval	Unapproved
On approval of the object	Approved	Approved
On rejection of the object	Rejected	Unapproved

#### Revision of a Risk Library Object

<b>Action/State of the Risk Library Object</b>	<b>Revision</b>	<b>Approval Status</b>	<b>Revision Status</b>
Revise an approved object	Original Version	Approved	Revised Object
Revise an approved object	New Version	Draft	New Revision
Submit for approval	Original Version	Approved	Revised Object
Submit for approval	New Version	Pending Approval	New Revision
On approval of the revised object	Original Version	Approved	Inactive
On approval of the revised object	New Version	Approved	Approved
On rejection of the revised object	Original Version	Approved	Inactive
On rejection of the revised object	New Version	Rejected	New Revision

## Change History

Once the new version of the risk library object is approved, a copy of the old "Approved" object is stored and maintained for a historical record.

Every change that an item in the library has gone through is maintained as a part of the Risk, Control, or Audit Procedure history. You can view the history section from the details page of any risk library object in the Oracle Internal Controls Manager application.

## Deletion of Approved Objects

Topic	Navigation Path
Delete approved risks, controls, and audit procedures	Using the Oracle Internal Controls Manager Super User Forms (or equivalent) responsibility, run the concurrent request "Delete Objects."  You may delete upto four objects at a time.

Oracle Internal Controls Manager performs all necessary validations while running this process. You cannot delete objects that are associated with other approved risk library objects.



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# Assessments in Oracle Internal Controls Manager

This chapter covers the following topics:

- Introduction
- Integration with Oracle Scripting
- Creating an Assessment in Oracle Internal Controls Manager

## Introduction

Oracle Internal Controls Manager gives you the ability to organize, document, and test internal controls and monitor ongoing compliance. You can use the application to conduct audit activities like the following:

- Define business processes and map them to an organization structure
- Record risks and controls and associate them with business processes
- Create audit procedures to test controls

With respect to testing controls as well as other tests like tests of details of balances, the amount of procedural work performed in an audit depends to a large extent on an auditor's assessment of the organization's internal control structure and compliance with established controls and regulations.

Oracle Internal Controls Manager therefore allows you to incorporate an assessment of the organization regarding its internal control structure and compliance. The assessment is made with respect to:

- Predefined components affecting the organization's audit environment. The seeded components shown below are from the COSO framework. You can also add your own values to this list:

- The control environment
  - Risk Assessment
  - Control activities
  - Information and communication
  - Monitoring activities
  - Event Identification
  - Objective Setting
  - Risk Response
- A particular organizational context. You can specify the context in terms of:
    - The organization itself
    - Controls in the organization
    - Business processes in the organization

An audit assessment requires auditors to have executed a systematic examination of the organization's information system that includes:

- Identifying security deficiencies and the adequacy of internal controls
- Sourcing the data from which to predict the effectiveness of controls
- Confirming the adequacy of the internal controls structure after implementation.

Once assessments are made and subsequent audit work performed, you can review the compliance of your business processes and systems and then issue audit reports and opinions.

## Integration with Oracle Scripting

To help in making assessments, you can associate a survey written with the Oracle Scripting tool to an Assessment in Oracle Internal Controls Manager. Oracle Scripting is a powerful web based tool for soliciting, managing, and analyzing stakeholder feedback through surveys. In any organization, surveys created with Oracle Scripting can help in providing an effective control environment and the results can be used to make macro level risk assessments.

Oracle Scripting is comprised of several components including a Script Author and a Survey Administration console. The Script Author is used to build "survey scripts" that

can be deployed throughout the enterprise. With the Survey Administration console, you can establish and maintain survey campaign information as well as generate reports for analyzing survey data.

There are various ways in which scripts can be employed to gather data. For example, a script can serve as a survey questionnaire to solicit specific information from employees or any other target population. A script can also be written to integrate different aspects of multiple applications together.

For any survey, the Scripting tool provides the following capabilities:

- Ability to ask different questions based on responses. For example, if the respondent's answer to a series of questions indicates a high risk in some area, the survey can "drill down" into the specifics of the problem, leading to the collection of more detailed information for the assessor.
- Ability to ask different sets of questions for different target respondents or lines of business.
- Ability to set "triggers" within a survey to alert assessors of specific results.

Once a script is created, it can then be used as part of a survey campaign. The application can be used to identify survey participants, deploy the survey via e-mail, and allow respondents to fill out questionnaires via the internet. Survey campaigns can be targeted to cover specific lines of business as well as specific groups. You can then use the survey results to provide data on common themes or risk areas.

Using these features, an audit related survey can provide valuable insight into the functioning of the organization, process, or control/control structure. Since Oracle Internal Controls Manager allows you to associate a survey to an Assessment, the survey results provide credibility and support to your Assessment.

## Survey Creation Process

The major steps to create and manage surveys are listed below:

1. Author the survey questionnaire using the Script Author
2. Define a Survey Campaign via the Survey Administration utility
3. Deploy the survey using the Survey Administration Console
4. Monitor and analyze responses

**Note:** For more information on the survey creation process, survey administration, and survey reporting, refer to the Oracle Scripting Implementation Guide and the Oracle Scripting Developer's Guide.

## Confidential Feedback Mechanism

Oracle Scripting also enables you to effectively monitor operations by providing a confidential feedback mechanism. This is a mandatory feature in certain geographic regions.

For example, the Sarbanes Oxley Act in the USA requires the audit committee of a public company to establish procedures for the receipt of confidential and anonymous submissions from employees regarding questionable accounting or auditing matters. This "whistle-blower" provision now requires employers to provide all employees with a safe way to deliver anonymous feedback.

Using Oracle Scripting, you can create and deploy surveys where employee confidentiality is maintained. Scripts can be written to capture information from employee hotline calls and multiple anonymous calls from the same person can be linked.

## Survey Reporting

Survey results are available immediately via out of the box Discoverer reports. The reports are available from Oracle Business Intelligence and you can modify the Discoverer workbooks to create ad hoc reports. You can use Discoverer to export all your report data to external systems, such as to an Excel spreadsheet.

**Note:** For more information on reports available via Interaction Center Intelligence, refer to the Oracle Scripting Implementation Guide.

Some of the seeded reports are listed below:

**Survey Question Frequency Report:** This report can be used to show how people have responded to survey questions at a summary level for each survey deployment. It shows the frequency of response for any question that is a non-text question. For example, how many people responded yes, how many responded no to the question "Are you satisfied with your audit?"

**Survey Question Detail Report:** Provides all of the respondent's answers to each question for all people who have responded to the survey.

**Survey Deployment Text Responses Report:** Extracts just the text responses so that managers can review the information in detail. Text responses often hold comments and other critical free form information. This report is useful for supervisors or managers who want to get an overall flavor for the comments that individual respondents have provided within the survey.

**Survey Campaign Summary Report:** This report provides summary information on each survey campaign. It shows at a glance how many surveys have been sent out, the response ratio, the number of errors (for example bad e-mail addresses), and how many surveys have been aborted (no questions answered).



Survey Deployment Detail Report: Shows detailed information about a deployment for each survey including the name of the list of target respondents, how many reminders have been sent out, response ratio, etc.

## Creating an Assessment in Oracle Internal Controls Manager

Oracle Internal Controls Manager enables you to record your assessment of the organization's internal control structure and compliance with established controls and regulations. As mentioned earlier, the amount of procedural work performed in an audit depends to a large measure on this up front assessment.

You can record the essential attributes of the Assessment as well as evaluations of the assessment results. Oracle Internal Controls Manager provides optional integration with Oracle Scripting to associate a survey conducted with that application to the Oracle Internal Controls Manager Assessment.

### To Create an Assessment

The steps to create an Assessment in Oracle Internal Controls Manager are listed below:

1. Enter the essential attributes of the Assessment
2. Record the context in which the Assessment is conducted
3. Optionally associate the Assessment to one or more surveys created using Oracle Scripting
4. Optionally create and set up Assessment Procedures
5. Record an audit opinion/evaluation of the Assessment

#### 1. Enter the Essential Attributes of the Assessment

Topic	Navigation Path
Create an Assessment	Using the Internal Auditor (or equivalent) responsibility, navigate to the Audit Operations tab and then the Assessments subtab.  Then click the Create button.

As the first step, create the assessment by setting up attributes like its Owner Name and Expected Completion Date.

[Home](#)
[Audit Operations](#)
[Segregation of Duties](#)
[Organizations](#)
[Risk Library](#)
[Setup](#)

[Assessments](#) | [Engagements](#) | [Findings](#) | [Remediation](#)

Audit Operations: Assessments >

### Create Assessment

\* Indicates required field

Cancel

Apply

#### Summary

\* Name

Type

Compliance Assessment

\* Owner Name

Dorobo, Mr. Martin

Assessment Period

Expected Completion Date

Status

Not Started

Description

Select All | Select None

Select Name

☐

Control Activities

☐

Internal Environment

☐

Event Identification

☐

Information and Communication

☐

Monitoring

☐

Objective Setting

☐

Risk Assessment

☐

Risk Response

The following table provides further information on select fields in the Assessment page.

Field	Details	Seeded Values	Lookup Type	Accessibility Level
Type	User defined Assessment classification	Compliance Assessment  Control Environment Assessment  Comprehensive Self Assessment  Risk Assessment  Security Assessment	AMW_ASSESSMENT_TYPE	User

Field	Details	Seeded Values	Lookup Type	Accessibility Level
Status	The status of the Assessment.  Changing the status is a manual step. Once the assessment definition is complete and the assessment is started, the user can change the status from "Not Started" to "In Process."	Archived  Completed  Not Started  In Process	AMW_ASSESS MENT_STATU S	System
Assessment Period				

## Components

Your assessment regarding internal control structure and compliance is made with respect to certain "Components" that affect the organization's audit environment. When you create an Assessment, Oracle Internal Controls Manager allows you to specify these Components.

The seeded components shown below are from the COSO framework in the USA. You can also add your own values to the list.

**The Control Environment:** This is the control conscience of an organization, the "tone at the top." When making an assessment on the control environment, consider factors such as:

- The presence of a code of ethics as well as mandatory training on this code
- Documented policies and procedures
- Aggressiveness of profit plans and budget data

**Risk Assessment:** An evaluation of internal and external factors that impact an organization's performance. Consider the presence of formal program offices for the following:

- Business risk management
- Process risk management
- Internal audit risk assessment

**Control Activities:** The policies and procedures to help ensure that actions identified to manage risk are executed and timely. These policies generally fall into the six categories listed below:

- Segregation of duties
- Proper procedures for approvals and delegation of authority
- Adequate processes/systems to maintain records and an audit trail, independent checks on performance
- Physical control over assets and records
- Account reconciliations
- Information technology controls

**Information and Communication:** The process which ensures that relevant information is identified and communicated in a timely manner. When making an assessment on this component, consider the following:

- Messages from senior management regarding control
- Formal operating plans
- Employee job descriptions, policies covering employee behavior such as conflicts of interest
- Training on formal codes of conduct

**Monitoring Activities:** The process to determine whether the internal control is adequately designed, effectively executed, and adaptive. This assessment will depend to a large extent on whether an internal audit function is established within the organization to monitor the efficiency and effectiveness of other control related policies and procedures.

To minimize risk, it is essential that the internal audit staff be independent of both operating and accounting departments. They should also report directly to an audit committee.

**Event Identification:** An event is an occurrence that could affect achievement of objectives and can have positive or negative impact or both. Risks are the possibilities that these events will occur.

**Objective Setting:** Firms select objectives that support their strategy and mission and which align with their preferred risk appetite. The objectives reflect management's strategic choices as to how the entity will seek to create value for its stakeholders. It is therefore imperative that management also identifies the risks associated with these strategy choices and considers their implications.

**Risk Response:** This component involves the identification and evaluation of possible responses to Events.

**Note:** The check boxes displayed in the Components section come from the lookup AMW\_ASSESSMENT\_COMPONENTS. The lookup values can be changed as needed to provide additional Assessment components.

## 2. Record the Context in which the Assessment is Conducted

Topic	Navigation Path
Record a Survey Context	Navigate to the Audit Operations > Assessments tab and select the Assessment for which you need to record a Context.  Drill into the Contexts subtab and then click the Add button.

To record a context for the Assessment, the status of the Assessment must be "Not Started." You cannot record a context if the Assessment has any other status.

Your assessment is made with reference to one of more of the following:

- A particular organization
- Processes within that organization
- Controls associated with those organizational processes (through the process-risk-control matrix)

Values in each page of the train are filtered by the selections made in earlier pages.

### 3. Associate the Assessment with surveys created using Oracle Scripting (Optional)

Topic	Navigation Path
Associate an Assessment with one or more Surveys	<p>Navigate to the Audit Operations &gt; Assessment tab and select the particular Assessment to be associated with a Survey.</p> <p>Click on the Survey subtab and then the Add button.</p>

You can initiate a survey campaign to incorporate employee and stakeholder feedback on internal controls. The Add Survey to Assessment page shows the following fields:

**The Survey:** The survey campaign, at the highest level of the survey hierarchy, is where parameters affecting the entire survey campaign are administered. These parameters include the specific script to be used as the survey questionnaire, the survey status (open and cancelled), and survey resources. A survey campaign contains one or more cycles (described below).

**The Survey Cycle:** Allows you to differentiate different time frames for running the survey. Survey Cycle attributes include a minimum response percentage and status (open, active, or cancelled). The ability to define multiple cycles in a survey campaign aids in comparative data analysis for surveys to be conducted over a span of time. Each cycle contains one or more deployments (described below).

**The Survey Deployment:** A deployment belongs to a particular cycle and is the lowest member of the survey hierarchy. Essentially, deployments are the construct within the survey campaign that contains key business rules (the "who," "when," and "how long")

for that portion of the survey campaign. A deployment must be made active before respondents can participate in a survey campaign.

**Note:** You can only link the Assessment in Oracle Internal Controls Manager to the survey name, cycle, and deployment.

Use the Oracle Scripting application to view the results of the survey. For more information, refer to the Oracle Scripting Implementation Guide.

You can only associate surveys that do not have the status (of the survey, survey cycle or deployment) "Closed" or "Cancelled." Also, the Response End Date of the deployment should be a future date.

Also, if the Assessment is "In Process" and has an "Active" survey associated with it, then you cannot update the survey parameters in the Add Survey to Assessment page.

**Note:** An "Active" survey is one which is deployed to participants and is in the process of being updated.

#### 4. Optionally create and set up Assessment Procedures

Topic	Navigation Path
Create Assessment Procedures	Navigate to the Audit Operations > Assessment tab and select the appropriate Assessment.  Click on the Procedures subtab. Use the Add button to add a previously created procedure and the Create button to write up a new procedure that will be appended to this Assessment.

Home **Audit Operations** Segregation of Duties Organizations Risk Library Setup


Assessments | Engagements | Findings | Remediation

Audit Operations: Assessments > Assessment Details: Finance Process Assmt >




### Create Assessment Procedure

\* Indicates required field

\* Name  Description

End Date    
(example: 22-Mar-2005)

#### Assessment Procedure Steps

*Sequence	*Name	Description	Sample Size	Delete
10	Pre-requisite Step	Collect operating manuals	20	
20	Review	Review approval procedure	20	
30	Test	Create a dummy line of cr	3	

You can associate multiple procedures with an Assessment and the same procedure can also be linked to multiple Assessments. Each procedure consists of a series of steps that must be performed in sequence.

**Caution:** Do not confuse Assessment Procedures with Audit Procedures. Audit Procedures provide detailed steps to be performed during audit fieldwork while Assessment Procedures are taken to assess control risk.

## 5. Record an Overall Opinion / Evaluation of the Assessment

Topic	Navigation Path
Record an Overall Opinion and Evaluation of the Assessment	Navigate to the Audit Operations > Assessment tab and select the appropriate Assessment for which you enter an opinion and evaluation.

The Evaluations page has two sections as follows:

### 1. Overall Opinion of the Assessment

Click the Update Opinions button to enter your Opinion of the Assessment and Components as well as your Comments. Note that only the Assessment owner (specified when the Assessment is created) can update the Overall Opinion section. Other users will not see the Update Opinions button.

The Assessment Owner generally enters this opinion after reviewing Evaluations of the Assessment and its components (described in the following point).

### 2. Evaluations



Click the Evaluate button to enter your Evaluation of the Assessment as well as the Components with respect to which the Assessment was made. You can also enter your comments.

The Lookup Type used for both the overall effectiveness of the Assessment as well as for the evaluation of components is AMW\_EVALUATION\_CONCLUSION. It has an accessibility level of User.

When Process owners are certifying their business processes, they can view all Assessments associated with those procedures.

**Note:** For more information on Process Certifications, refer to Process Certifications, page 10-1.

## Restrictions

The amount of subsequent procedural work performed in an audit (testing of controls as well as other tests like tests of details of balances) depends to a large extent on an auditor's assessment of the organization's internal control structure and compliance with established controls and regulations.

If the up front assessment shows that the organization's internal control structure and overall compliance are highly effective, then auditors will tend to rely on this assessment and minimize the amount of audit field work.

The opinion and evaluation of the Assessment is therefore critical and sensitive data. In order to provide an appropriate level of security in the entering and update of

Assessment Evaluations, Oracle Internal Controls Manager distinguishes between the following personnel:

- A User entering the assessment results (Entered By)
- An Evaluator who actually performs the assessment (Executed By)

The following restrictions apply to these two roles:

1. For any given Assessment, there can be no more than one evaluation per Evaluator.
2. A User with access to Assessment Evaluations can create multiple evaluations. As noted in point 1 above, each evaluation must have a different Evaluator.
3. Only the owner of an Assessment (specified when the Assessment is created) can enter and update the "overall opinion" section of the Assessment.
4. An existing evaluation can only be updated by the User who created (Entered) it and the Evaluator. To be updated, the Status of the evaluation must be "In Process."
5. An evaluation can only be created (the "Evaluate" button is enabled) when the Assessment Status is "Completed" or "In Process." You cannot enter an evaluation if the Assessment status is "Not Started" or "Archived."

**Note:** Once the assessment of the organization's internal control structure and compliance with established controls is complete, you can then begin audit procedures to test controls and details of balances as well as perform other substantive tests.

---

# Audit Engagements

This chapter covers the following topics:

- Introduction
- Setup the Audit Engagement within Oracle Internal Controls Manager
- Setup the Audit Engagement through Integration with Oracle Projects
- Scoping the Audit Engagement
- Executing the Audit Engagement
- Opinions Framework in Oracle Internal Controls Manager

## Introduction

Both internal and external auditors conduct risk-based audits to test the effectiveness of mitigating controls over business processes. The results of the audit form a basis upon which auditors can attest that internal controls are functioning as intended. These risk-based audits are usually managed as projects.

The audit engagement represents a compilation of audit assignments for the business entity and becomes the central repository of information on the audit. Engagements integrated with Oracle Projects can also contain information on the audit's time frame, staffing, etc. to help you manage your resources and budgets as well as the information on your audit results.

This chapter contains detailed information on setting up and executing your audit engagements.

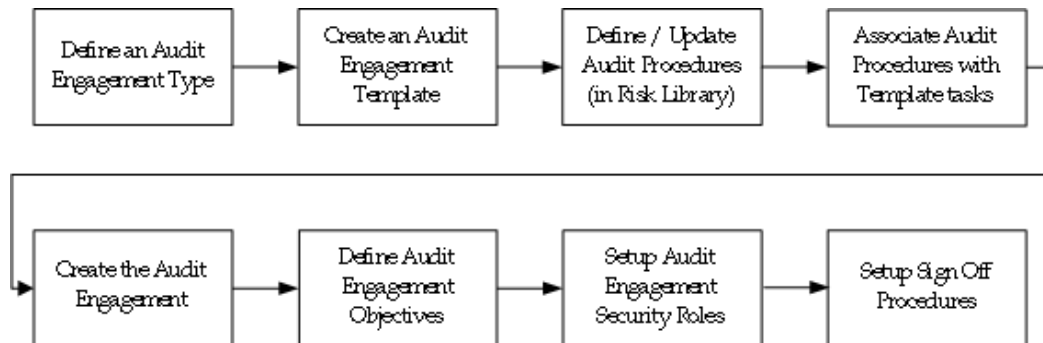
Perform the followings tasks to create and implement your audit engagements:

- Set up the audit engagement There are two approaches that can be taken:
  - Set up the audit engagement directly within Oracle Internal Controls Manager.
  - Set up the audit engagement through an integration with Oracle Projects.

- Scope the audit engagement. The engagement is scoped based on Company, Line of Business, Organization and Process.
- Execute the audit engagement The engagement is managed through Oracle Internal Controls Manager.

## Setup the Audit Engagement within Oracle Internal Controls Manager

The following diagram shows a high level view of the steps that must be undertaken to set up an audit engagement.



1. Your first task is to create an Engagement Type.

Topic	Navigation Path
Create an Engagement Type in Oracle Internal Controls Manager	Using the Internal Auditor (or equivalent) responsibility, navigate to the Setup tab and then the Engagements subtab to access the Type hyperlink

Audit Engagements originate from Engagement Templates (or are copied from other engagements that in turn originated from templates). The templates in turn are linked to an Engagement Type.

Home Audit Operations Segregation of Duties Organizations Risk Library **Setup**

**Engagements** | Issue Management | Opinions | Risk Library | Regulations | Approvals | Value Sets

Setup: Engagements > Engagement Types >

**Create Type**

\* Indicates required field

\* Internal Name SW\_Internal\_Audit

\* Name SW Internal Audit

Description

\* Start Date 05-Apr-2005

End Date

☐ Set as Default Type

Project Type

Number Generation

Cancel Apply

The following table provides further information on select fields in the Create Type window.

Field	Seeded Values	Description
Project Type	All Project Types from Oracle Projects.	To setup the engagement within OICM, this field must be left blank.  Note: If this field is entered, the value serves as a bridge to Oracle Projects. For more information on the setup of an Audit Engagement through integration with Oracle Projects, refer to the next section.
Number Generation	User Entered Sequence Generated	If User Entered, then a user enters a number manually when creating an Audit Engagement. You can also add a prefix for user entered numbers. For example, all IT audit projects start with prefix "ITA."

You can define an unlimited number of extensible attributes when creating the Engagement Type. These attributes are displayed and available to all Engagements that are created using that particular Engagement Type.

**Note:** For more information on setting up and using Extensible Attributes, refer to Extensible Attributes in Oracle Internal Controls Manager, page 14-1.

2. Create Engagement Templates using this Audit Engagement Type.

Topic	Navigation Path
Create an Engagement Template in Oracle Internal Controls Manager	Using the Internal Auditor (or equivalent) responsibility, navigate to the Setup tab and then the Engagements subtab to access the Templates hyperlink

Home | Audit Operations | Segregation of Duties | Organizations | Risk Library | Setup

Engagements | Issue Management | Opinions | Risk Library | Regulations | Approvals | Value Sets

Setup: Engagements > Templates >

Create Template

Cancel Apply

\* Template Name Investigation Template

\* Type Internal\_Audit

Number

Description

\* Start Date 05-Apr-2005

End Date

Engagement templates contain standard deliverables needed for the project. For example, the template will typically have standard auditing tasks for auditing a process as a part of the work breakdown structure of the project. Whenever an Engagement is created using this template, it will automatically include all of these tasks.

#### Create Template Tasks

Home
Audit Operations
Segregation of Duties
Organizations
Risk Library
Setup

Engagements
Issue Management
Opinions
Risk Library
Regulations
Approvals
Value Sets

Template:Investigation Template

Update

Template Name	Investigation Template	Number	
Description		Type	Internal_Audit
Start Date	22-Feb-2005	End Date	

Select Object:
Create Task

Expand All
Collapse All

Select Focus	Tasks	Number	Manager	Description	Update	Remove
<input type="radio"/>	▼ Investigation Template					
<input type="radio"/>	Fraud Controls	10		Fraud Controls		
<input type="radio"/>	Credit Risk Analysis	20				

When a specific audit engagement needs to be undertaken, either as a scheduled activity or as the result of a trigger event (such as a large accounts receivable write off), the project is created from the appropriate template for the process or business flow being audited. As an example, if the process being audited is order to cash, the order to cash audit engagement template can be used to create the audit engagement.

Note that the audit of processes can require multiple audit engagement templates depending on the audit approach undertaken. In addition, different industries and time periods will require the use of different engagement templates for the same process.

Most audit tasks used to evaluate the risks and controls of the business process will originate in the engagement template but they can be also be created within the audit engagement.

3. Create/revise your audit procedures as part of the set up of the Risk Controls Library in Oracle Internal Controls Manager.

**Note:** For more information on creating audit procedures and audit procedure steps, refer to Setting up Audit Procedures in Oracle Internal Controls Manager, page 5-2.

4. Link audit procedures in the risk controls library with the tasks in an audit Engagement Template. Once associated, the audit procedures will be displayed with related tasks in all projects created from the Engagement Template.

There are two methods to link audit procedures with engagement template tasks.

#### METHOD 1

The following steps detail creating an enduring link between the template task and

the audit procedure. Once realized, all projects created from this template will have tasks that are linked to these audit procedures.

To create this link, drilldown to the audit procedure details in the risk library.

Topic	Navigation Path
Associate audit procedures with engagement template tasks	Using the Internal Auditor (or equivalent) responsibility, click the Risk Library tab and then the Audit Procedures tab.  For the relevant audit procedure click the Update icon to navigate to the Audit Procedure details window. Finally, go to the Audit Project Tasks subtab.

HomeAudit OperationsSegregation of DutiesOrganizationsRisk LibrarySetup

Processes | Risks | Controls | Audit Procedures | Import

Risk Library: Audit Procedures > Select Classification > Update Audit Procedure: Audit Procedures for Entering Supplier Invoices Controls >

Add Task: Audit Procedures for Entering Supplier Invoices Controls

\* Indicates required field

TemplateInvestigation Template

CancelApply

Task:

Expand AllCollapse All

Select	Focus	Task Name	Task Number	Task Long Name
<input type="radio"/>		Root Node		
<input type="radio"/>		Fraud Controls	10	Fraud Controls
<input type="radio"/>		Credit Risk Analysis	20	

Once you select a template, project tasks from that template will be available to associate with the audit procedure. Select a task to link with the audit procedure.

As a result of this association, all audit engagements created from this engagement template will automatically have its project tasks linked to the relevant audit procedures in the Internal Controls Manager module.

METHOD 2

Using this method, you can create a link between the template task and the audit procedure for a particular engagement. The association is not set at the template level and consequently not valid for any other engagement.



Topic	Navigation Path
Associate audit procedures with engagement template tasks	<p>Using the Internal Auditor (or equivalent) responsibility, navigate to the Audit Operations tab and then the Engagements subtab. Drill into the details of the appropriate Engagement and then go to the Tasks subtab.</p> <p>Drill into the required "Audit Procedures with No Task Assignments" and then Update it by adding a task.</p>

In this way you link an audit procedure to the appropriate template task in this particular engagement.

Note the following with respect to the association of audit procedures with Engagement template tasks:

- An audit procedure can be associated with multiple tasks and vice versa.
  - Audit procedures can be attached to a task in any template and at any level of the work breakdown structure. In most cases, this association will take place at the lowest level in the task hierarchy i.e. the work breakdown structure's leaf nodes.
5. Create the engagement from the appropriate Audit Engagement Template.

Topic	Navigation Path
Create an engagement	Using the Internal Auditor (or equivalent) responsibility, navigate to the Audit Operations tab and then the Engagements subtab.

In lieu of creating the project from a template, you may copy it from an existing engagement.

## 6. Setup Audit Engagement Security Roles

The application enables data security on Audit Engagements through the construct of "Roles." Roles allow users to have different data views and privileges on instances of objects (like Engagements) based on the data access rights of the role.

**Note:** For detailed information, refer to Roles and Privileges, page 15-1 and Function Security, page 16-1 in Oracle Internal Controls Manager. To use roles in the application, the profile option AMW: Implement Data Security must be set to "Yes."

Use the following menu path to setup Audit Engagement Security roles.

Topic	Navigation Path
Engagement Security - Setup of Engagement Roles	Using the Internal Auditor (or equivalent) responsibility, navigate to the Audit Operations tab and then the Engagements subtab. Drill into the details of the appropriate Engagement and then go to the People subtab.

Home **Audit Operations** Segregation of Duties Organizations Risk Library Setup

**Engagements** | Assessments | Findings | Remediation

Audit Operations: Engagements > Audit Engagement: Americas Sales Audit Q1 2005 >

**Update People**

\* Indicates required field Cancel Apply

Select People: Delete

Select All | Select None

Select Role	Type	*Name	Company	*Start Date	End Date
<input type="checkbox"/> Engagement Manager	Person	Landon Frazier	Vision Enterprise	12-Feb-2005	
<input type="checkbox"/> <span></span>	Person			06-Apr-2005	

Add Another Row

**TIP** date format example: 06-Apr-2005

The application provides the following seeded roles with respect to executing Audit Engagements:

Role	Privilege
Engagement Approver	<p>Engagement approvers can "sign off" on Audit Engagements that are submitted to them.</p> <p>If the engagement is deemed to be satisfactorily completed, then Engagement Approvers approve the sign off. The Audit Engagement Status changes to "Signed Off" and the Sign off status becomes "Approved."</p> <p>If not acceptable, then the sign off is rejected. The Audit Engagement status remains "Active" and the Sign off status is changed to "Rejected."</p> <p>For more information, refer to Setup the Sign Off Process, page 8-12.</p>
Engagement Auditor	Engagement Auditors are the primary executors of the Audit Engagement. Hence individuals with this role can add audit procedures and update their status (as well as the status of the individual steps that make up the audit procedure).
Engagement Manager	<p>Engagement Managers scope the Audit Engagement and set security privileges in the application. The person who creates the Audit Engagement automatically gets this role.</p> <p>Engagement Managers can also execute the engagement.</p>
Engagement Reviewer	Engagement Reviewers have view only access to the Audit Engagement.

While all users can create Audit Engagements, the Engagement Manager assigns a role to a "person" or to "All Users." You can assign multiple security roles to a

person. Note that inherited roles are not valid for Audit Engagements.

7. Define the objectives of the Audit Engagement.

Audit Objectives provide a framework to help auditors plan their audits and decide on the proper evidence to accumulate. The objective is a powerful statement as to what you intend to achieve by executing the audit engagement. When a "Sign Off" (described subsequently) of the Audit Engagement is initiated, you can check whether the stated Audit Objectives were met.

Topic	Navigation Path
Engagement Objectives	<p>Using the Internal Auditor (or equivalent) responsibility, navigate to the Audit Operations tab and then the Engagements subtab. Drill into the details of the appropriate Engagement and then go to the Objectives subtab.</p> <p>Click the Create button to define a new objective and the Add button to link previously defined objectives.</p>

[Home](#)
[Audit Operations](#)
[Segregation of Duties](#)
[Organizations](#)
[Risk Library](#)
[Setup](#)

[Engagements](#)
[Assessments](#)
[Findings](#)
[Remediation](#)

[Audit Operations: Engagements](#) >
[Audit Engagement: Americas Sales Audit Q1 2005](#) >
[Audit Objectives Details](#) >

### Update Audit Objectives

\* Audit Objective

\* Audit Objective Type

Authorization

Description

Cancel

Apply

---

#### Control Components

Select All | Select None

Select Control Components

☐

Control Activities

☒

Internal Environment

☐

Event Identification

☐

Information and Communication

☐

Monitoring

☐

Objective Setting

☐

Risk Assessment

☐

Risk Response

---

*Application Name	*Performance Measure Name	Delete
No data exists.		
<div>Add Another Row</div>		

## Audit Objective Type

You can declare the Type of Audit Objective. Seeded values are:

- Cut Off
- Authorization
- Completeness
- Accuracy
- Timely

These values are based on the Lookup Type AMW\_AUDIT\_OBJECTIVE and you can add/update the list as required.

## Control Components

These are the predefined components affecting the organization's audit environment. The seeded components are from the COSO framework and you may classify the Audit Engagement objective as being associated with one of them.

## Performance Measures

Audit objectives, when used in conjunction with process definitions, can also provide useful benchmarks to auditors for evaluating the performance of their audits. To this end the application allows you to associate Key Performance

Indicators with the objective.

#### 8. Setup a Sign Off Process (Optional)

You may optionally choose to implement a sign off for any of your Audit Engagements. When complete, the sign off process is initiated by submitting the Engagement for approval. One or more designated approvers will then have to approve the completion of the Engagement to change its status to "Signed Off / Complete." Sign off approval allows an additional level of security on highly sensitive engagements.

**Note:** By default, no sign off is required for Audit Engagements.

The sign off takes the form of a template with an unlimited number of extensible attributes that you can define based on the "Sign Off Type." These attributes will be displayed to approvers when the Engagement is submitted for sign off (for all Engagements created using that particular Sign Off Type). The routing of the sign off to the appropriate approvers is also determined by the Sign Off Type.

Perform the following steps to setup the Engagement's Sign Off capability:

##### Step 1: Define Audit Engagement Sign Off Types

Topic	Navigation Path
Setup Engagement Sign Off Type	<p>Using the Internal Auditor (or equivalent) responsibility, navigate to the Setup tab and then the Engagements subtab to access the Engagement Sign Off Type.</p> <p>Setup all required extensible attributes and the approval template for the Sign Off Type.</p> <p>Note that all users on the approval template can sign off on engagements even if they are not given the "Engagement Approver" role.</p>

**Note:** For more information on setting up and using Extensible Attributes associated with the Sign Off Type, refer to Extensible Attributes in Oracle Internal Controls Manager, page 14-1.

##### Step 2: Initiate the Sign Off Approval Requirement

Topic	Navigation Path
Engagement Sign Off Requirement	<p>Using the Internal Auditor (or equivalent) responsibility, navigate to the Audit Operations tab and then the Engagements subtab. Drill into the details of the appropriate Engagement.</p> <p>Click the update button to set whether Sign Off Approval is required.</p>

**Note:** The process of submitting the Audit Engagement object for Sign Off is fully described in the section Execute the Audit Engagement.

For Sign Offs to be active, Business Event Processing must be enabled.

## Setup the Audit Engagement through Integration with Oracle Projects

Oracle Internal Controls Manager is fully integrated with Oracle Projects so that the risk-based audit engagement can be created and managed in the same fashion as any other project. While the management of the project is done in Oracle Projects, scoping of the project and the project's fieldwork evaluation is managed through the Oracle Internal Controls Manager application.

By creating your audit engagement as a project in Oracle Projects, you leverage the many features of the Oracle Projects suite of applications. Oracle Project Applications – a component of Oracle's E-Business Suite – provides these benefits by enabling you to streamline your business projects. As a result, you can run your audit engagements in a more efficient and effective way.

The following project modules can be used with Oracle Internal Controls Manager for project integrated engagements:

**Oracle Project Management:** Oracle Project Management provides audit managers the ability to manage audit engagements through the project life-cycle from planning, through execution, to completion. As it is a fully integrated module within the Oracle Projects family, audit managers can look to a single source of enterprise project information for all their needs.

The application provides features like audit workplan, resource assignments, financial forecasts, document management, project accounting, communications to stakeholders, and collaborative execution of project work internal and external to the organization.

**Oracle Project Resource Management:** Once the audit engagement is created, it must be

sourced. Before assigning work, managers need to review the audit department's workload and capacity. Oracle Project Resource Management can be used by audit managers to locate and deploy qualified resources to staff their projects across the enterprise.

The application enables you to get a snapshot of resources and their availability – available resources, over committed resources, etc. -- through a portal. Workflow technology notifies the audit manager of events requiring action, such as candidate nominations and assignment approvals.

**Oracle Project Costing:** Oracle Project Costing provides a complete and integrated cost management solution for all your audit engagements. You can effectively manage these projects even if they cross currency and organizational boundaries. Oracle Project Costing provides internal audit managers with access to timely, detailed cost information to monitor audit procedures while financial managers can track the total cost of running the projects.

In the Project Costing module, audit engagements can be broken up into underlying tasks (a work breakdown structure). You can then create a budget, based on an estimate of the resources required to complete the tasks. As employees work on the tasks in an audit engagement, they create expenditures to reflect the project costs they incur. As costs are incurred, you can compare them with your budget to track the audit engagement's progress.

Oracle Project Costing acts as a central repository of project transactions, processes project costs and creates corresponding accounting entries for your Corporate Finance Department, based upon accounting rules.

**Oracle Project Intelligence:** Oracle Project Intelligence can serve as a comprehensive analysis and reporting solution for all audits that are set up as projects. Oracle Project Intelligence provides essential project-based operational and financial metrics directly to audit managers and other stakeholders.

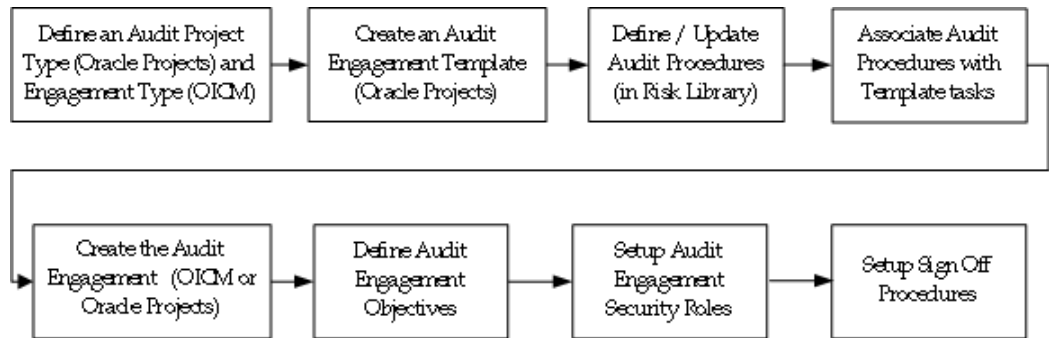
Through role-based portals, audit managers have access to information regarding the state of their projects relative to various performance measures. This real-time view allows the stakeholders of the audit engagement to stay informed, develop insight, and take action.

Audit engagements can be monitored for progress against milestones using Oracle's Project Intelligence projects. Large portfolios of projects can be monitored for degree of completion by phase or towards a particular milestone.

## **Setup the Oracle Projects Integrated Audit Engagement**

The following diagram shows a high level view of the steps that must be undertaken to set up this audit engagement.





**Note:** Several of these setup steps are performed in Oracle Projects. Refer to the appropriate Oracle Projects documentation for more details.

1. Your first task is to create an "Audit" Project Type (Engagement Type) in Oracle Projects. This Project Type must be seeded within the Oracle Internal Controls Manager application as follows:

Topic	Navigation Path
Create an Engagement Type in Oracle Internal Controls Manager	Using the Internal Auditor (or equivalent) responsibility, navigate to the Setup tab and then the Engagements subtab to access the Type hyperlink

The following table provides further information on select fields in the Create Type window.

Field	Seeded Values	Description
Project Type	All Project Types from Oracle Projects.	When you select one of these values for Project Type, then the value serves as a "bridge" to Oracle Projects i.e. it becomes an "Oracle Projects" engagement, created in Oracle Projects.

For more details, refer to the corresponding step under Setup the Audit Engagement within Oracle Internal Controls Manager

2. In Oracle Projects, create project (engagement) templates using this Audit Engagement Type. Note that all projects in Oracle Projects are created from templates (or copied from other projects that in turn originated from templates). However, only projects created from templates with the Audit Project Type will appear as engagements in Oracle Internal Controls Manager.

Most audit tasks used to evaluate the risks and controls of the business process will originate in the project template but they can be also be created within the audit engagement.

3. Create/revise your audit procedures as part of the set up of the risk controls library in Oracle Internal Controls Manager.

**Note:** For more information on creating audit procedures and audit procedure steps, refer to Setting up Audit Procedures in Oracle Internal Controls Manager, page 5-2.

4. Link audit procedures in the risk controls library with the tasks in an audit engagement template (Even though created in Oracle Projects, the template will also display in Oracle Internal Controls Manager). Once associated, the audit procedures will be displayed with related tasks in all projects created from the audit engagement template.

For more details, refer to the corresponding step under Setup the Audit Engagement within Oracle Internal Controls Manager.

5. Create the audit engagement from the appropriate audit engagement template in Oracle Projects or in Oracle Internal Controls Manager. In lieu of creating the project from a template, you may copy it from an existing audit engagement (one that has an Audit Engagement Type).

For more details on creating the engagement within OICM, refer to the

corresponding step under Setup the Audit Engagement within Oracle Internal Controls Manager.

**6. Setup Audit Engagement Security Roles**

For more details, refer to the corresponding step under Setup the Audit Engagement within Oracle Internal Controls Manager

**7. Define the objectives of the Audit Engagement (Optional)**

For more details, refer to the corresponding step under Setup the Audit Engagement within Oracle Internal Controls Manager

**8. Setup a Sign Off Process (Optional)**

For more details, refer to the corresponding step under Setup the Audit Engagement within Oracle Internal Controls Manager

**9. Finally, complete your project set up in Oracle Projects. This will include, but not limited to, establishing the following parameters in the project:**

- Resources and key members
- Costing information and distribution rules
- Organizations
- Project status

Though the project status is not relevant to Oracle Internal Controls Manager, critical functionality within Oracle Projects modules is dependent on the status of a project.

**Note:** For more information, refer to the appropriate Oracle Projects documentation.

## Scoping the Audit Engagement

After creating the audit engagement, your next task is to define its scope. In Oracle Internal Controls Manager, the scope determines which entities and processes are included in the project and therefore defines the context in which audit procedures are executed. The scope of the audit engagement provides boundaries to the execution of the audit. Once the scope is resolved, an auditor can finalize the audit procedures that comprise the audit engagement.

There are two ways to define the scope of the audit engagement in Oracle Internal Controls Manager:

- Using Companies, LOB's, Organizations and Processes
- Using Organizations and Processes only

## Scoping with Companies, LOB's, Organizations, and Processes

Topic	Navigation Path
Audit Engagement Scope	<p>Using the Internal Auditor (or equivalent) responsibility, navigate to the Audit Operations tab and then the Engagements subtab. Drill into the details of the appropriate Engagement and then go to the Scope subtab.</p> <p>Click the Add to Scope button to activate the scope wizard.</p>

Use the wizard to define the audit engagement scope as follows:

1. Select the companies you wish to add to the project scope.

2. Select the lines of businesses (LOBs) within the companies chosen in the previous step.

All lines of businesses within the selected companies can be activated. When selecting lines of businesses, you may choose to include parents only or parent and children lines of businesses. Oracle Internal Controls Manager provides a checkbox to include auditable units within the companies selected that have no line of business assignments.

**Note:** Companies and lines of businesses are linked to auditable units in the HR organizations window. For more information, refer to Organizations in Oracle Internal Controls Manager, page 2-36.

3. Include additional organizations (auditable units) in the project scope. The "Scope: Include Organizations" window shows a leading and trailing list of organizations. By default, the leading list is empty and the trailing list shows the organizations that belong to the selected companies and LOBs. A filter on organization name is included in the leading list and you can search for additional organizations to be included in the scope.

**Note:** If security is turned on, then you can only include into scope those orgs on which you have "Audit Organization" privilege.

For more information, refer to Roles and Privileges in Oracle Internal Controls Manager, page 15-1.

You may also remove from the audit engagement scope any organizations that are included based on the selected companies and lines of businesses.

4. Include relevant processes

Oracle Internal Controls Manager uses the combination of company, lob, and organization to provide a subset of auditable units from which processes can be selected. All first level parent processes belonging to auditable units within the selected combination of subsidiaries, lobs, and organizations will be displayed.

**Note:** You may later choose to exclude particular child processes under a parent process. To do this, click the Manage Included Processes icon associated with a particular auditable unit in the scope details window.

5. Once you have selected the parent processes to be included, click the submit button in the wizard to create the audit engagement scope.

## Scoping with Organizations and Processes only

Topic	Navigation Path
Audit Engagement Scope	Using the Internal Auditor (or equivalent) responsibility, navigate to the Audit Operations tab and then the Engagements subtab. Drill into the details of the appropriate Engagement and then go to the Scope subtab.  Click the Add Organizations button to activate the scope wizard.

1. Though you can enter the Company and LOB fields to narrow down the Organizations, this method of scoping is generally used to directly enter the appropriate organizations (auditable units) into the project scope. The "Add Scope: Include Organizations" window shows a leading and trailing list of organizations. A filter on organization name is included in the leading list and you can search for additional organizations to be included in the scope.

**Note:** If security is turned on, then you can only include into scope those orgs on which you have "Audit Organization" privilege.

For more information, refer to Roles and Privileges in Oracle Internal Controls Manager, page 15-1.

2. Include relevant processes

All first level parent processes belonging to organizations (auditable units) selected will be displayed.

**Note:** You may later choose to exclude particular child processes under a parent process. To do this, click the Manage Included Processes icon associated with a particular auditable unit in the scope details window.

Once you have selected the parent processes to be included, click the submit button in the wizard to create the audit engagement scope.

The scope details window now displays the entities (companies, LOBs, organizations) and processes in the audit engagement scope. Auditable units (and processes) within the companies selected but not associated with a line of business are displayed under the node "Auditable Units with No Line of Business Assignments."

The screenshot shows the 'Audit Engagement: Americas Sales Audit Q1 2005' window. The top navigation bar includes 'Home', 'Audit Operations', 'Segregation of Duties', 'Organizations', 'Risk Library', and 'Setup'. The 'Engagements' tab is active, showing a breadcrumb 'Audit Operations: Engagements >'. The engagement details are as follows:

Name	Americas Sales Audit Q1 2005	Report	AMW Audit Report	Generate	View
Number	IA10024	Type	Internal Audit Type		
Manager	Sharma, Anita	Sign Off Status	Not Submitted		
Status	Active	Description			
Start Date	12-Feb-2005				

Below the details, there is a 'View' dropdown set to 'Main'. The 'Scope' tab is selected in the sub-navigation bar. The 'View' dropdown is set to 'Legal Hierarchy'. The 'Add to Scope' and 'Add Organizations' buttons are visible. The main table displays the following data:

Focus	Organization	Type	Location	Manage Included Processes	Remove
	Root Node				
	North America Operations				
	Vision Enterprise	Company	New York City		
	US Operations				
	Vision Computers	Operating Unit			

## Notes on Scoping

### Hierarchical Views

You can now view the engagement scope through a hierarchical filter. Three hierarchy views are available:

1. Custom Hierarchy. This is the hierarchy of organizations as defined in the Oracle HR module and entered in the "AMW: Org Security Hierarchy" profile option.
2. Legal Hierarchy. This is the hierarchy of subsidiaries (companies) in the Subsidiary Value Set. The value set name must be entered in the "AMW: Subsidiary Value Set

for Audit Units" profile option.

3. Management Hierarchy. This is the hierarchy of LOB's in the LOB Value Set. The value set name must be entered in the "AMW: LOB Value set for Audit Units" profile option.

## Viewing the Tasks and Procedures in Scope

Topic	Navigation Path
Audit Tasks Details	Using the Internal Auditor (or equivalent) responsibility, click the Audit Operations tab and then the Engagements subtab.  Drill down into audit details of the appropriate engagement and then click the Audit Tasks hyperlink.

The tasks originate in the engagement template and are typically the ones you want to reuse. They appear linked to their associated procedures in the Audit Tasks Details window.

However, there may be audit procedures related to processes in entities that have been included in an expanded scope, but not yet associated with project tasks. These procedures appear under the dummy node "Audit Procedures with no Task Assignments."





**Creating Audit Procedures within the scope of an Audit Engagement**

In addition to the usual method of creating or importing Audit Procedures in the Risk Library, you can also create Audit Procedures within the course of an Audit Engagement. The requirement for running these procedures will normally arise during the course of the engagement.

**Note:** For a detailed introduction to Audit Procedures, refer to Audit Procedures in Oracle Internal Controls Manager, page 5-1.

The application hence allows you to create them ad hoc within an engagement and all such procedures are specific to the engagement they are created in. These procedures are not visible in the application's risk library or while working with other Audit Engagements.

Topic	Navigation Path
Audit Tasks Details	Using the Internal Auditor (or equivalent) responsibility, click the Audit Operations tab and then the Engagements subtab.  Drill down into audit details of the appropriate engagement and then click the Audit Tasks hyperlink.  Finally click the "Create and Add Audit Procedure" icon.

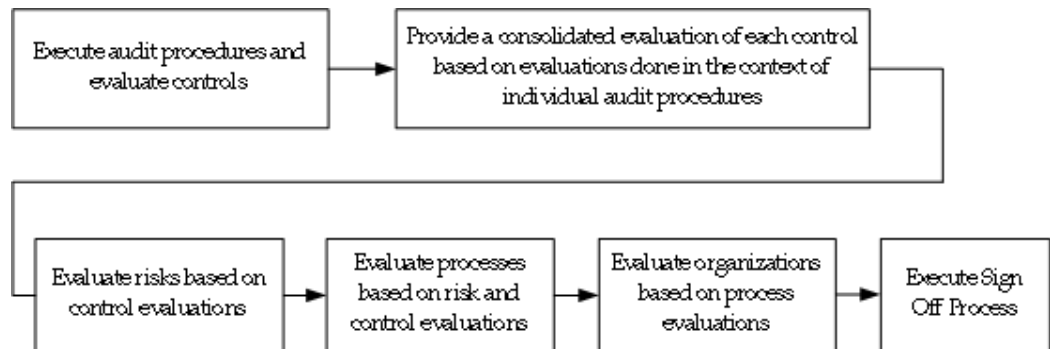
You may use all the regular features of Audit Procedures when completing the definition of these procedures. For example, you can define an unlimited number of extensible attributes which are available for use with the procedure.

**Note:** For more information on setting up and using Audit Procedure Classifications and Extensible Attributes, refer to Extensible Attributes in Oracle Internal Controls Manager, page 14-1.

**Search feature for Audit Engagement Procedures**

Click the Audit Procedure icon under the Tasks window to search for Audit Engagement procedures to add to scope.

## Executing the Audit Engagement



Auditors document the results of their fieldwork based on the completed audit tasks, procedures, and steps. Audit evaluations can be documented for controls, risks, processes, and organizations within the scope of the audit engagement.

These evaluations are typically made in terms of "opinions" you can enter to record the results of the audit engagement. The application is pre-seeded with audit opinion values for each of the objects (audit procedure controls, organization controls, process risks, processes, organizations) being evaluated.

**Note:** You can also choose to set up user defined values for audit opinions. For more information, refer to the Opinions Framework in Oracle Internal Controls Manager, page 8-37.

During the execution of the audit, nonconformities to established standards are logged as "Findings." A process certification cannot be issued until these Findings are effectively addressed and remedied.

**Note:** For more information on creating Findings, refer to Findings in Oracle Internal Controls Manager, page 12-1.

### Step 1: Execute individual audit procedures (associated with Tasks) and evaluate individual controls

Execute Audit Procedures

Topic	Navigation Path
Audit Procedure details	<p>Using the Internal Auditor (or equivalent) responsibility, click the Audit Operations tab and then the Engagements subtab.</p> <p>Drilldown into the appropriate engagement and click the Audit Tasks hyperlink.</p> <p>Drilldown into a task and then into the audit procedures linked to the task. Execute the audit procedure according to the Steps listed.</p>

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**Audit Procedure: Fraudulent Returns Audit Procedure**
Update

Name: **Fraudulent Returns Audit Procedure**  
Description:  
Classification:

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Sequence	Name	Description	Sample Size
1	Obtain a sample of RMAs from the RMA system		30
2	Check RMAs have been reflected in AR	Check RMAs have been reflected in AR	30
3	Check RMAs reference valid sales orders	Check RMAs reference valid sales orders	30
4	Check RMAs have been physically received in inventory	Check RMAs have been physically received in inventory	30
5	Check inspection signatures in RMA records	Check inspection signatures in RMA records	30

## Evaluate Individual Controls

Topic	Navigation Path
Record audit results	<p>Using the Internal Auditor (or equivalent) responsibility, click the Audit Operations tab and then the Engagements subtab.</p> <p>Drilldown into the appropriate engagement and click the Controls hyperlink. Drilldown into a Control to view and evaluate the audit procedures linked to that Control.</p>

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**Audit Engagement: Americas Sales Audit Q1 2005**

Report: AMW Audit Report Update Generate View

Number: IA10024

Start Date: 12-Feb-2005

Sign Off Status: Not Submitted

Name: Americas Sales Audit Q1 2005

Status: Active

Sign Off Required: No

Manager: Sharma, Anita

Type: Internal Audit Type

View: Main

Objectives Scope Tasks **Controls** Risks Processes Organizations Findings Attachments People

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Details	Control	Description	Organization	Type	Automation Type	Control Location	Key Control	Open Findings	Evaluation	Evaluation History	Evaluate
▼ Hide	Authorization of RMA	Authorization of RMA	Vision Computers	Combination	Workflow	Local	No				

**Audit Procedures**

Audit Procedure	Open Findings	Design Effectiveness	Operating Effectiveness	Control Evaluation	Evaluate Control
Fraudulent Returns Audit Procedure					
Segregation of Duty Audit Procedure					
Approval Authority Validation					

Audit procedures executed in the project test the effectiveness of particular controls. Click the Evaluate Control icon associated with the individual audit procedures to enter these control evaluations. The evaluation of the controls that the audit procedure is associated with is made regarding:

- Design Effectiveness
- Operating Effectiveness
- Finally enter an overall conclusion for the control (associated with the individual audit procedure) based on the audit procedure executed.

Field	Seeded Values	Source	Accessibility Level
(Audit Opinion) Conclusion	Effective Deficient Significantly Deficient Materially Weak	Opinions Framework components for the Organization - Audit Procedure - Control object: * Audit Opinion * Design Effectiveness * Operating Effectiveness	Refer to the section: Opinions Framework in Oracle Internal Controls Manager, page 8-37

You can also create Findings that are associated with individual Audit Procedures.

Note - once this is done, you can change the status of the procedure from "Not Started" to "In Progress" and then "Completed with Issues" or "Completed".

Update Audit Procedure status

You can at any time update the status of the audit procedure by clicking the Status hyperlink associated with the Audit Procedure.

Enter Results through the "Download" and "Upload" facility

Click the Download button in the Tasks window to download the whole task structure with its audit procedures.

**Audit Engagement: AmerSales01**

Start Sign Off Update

Report AMW Audit Report Generate View

Name **AmerSales01**  
 Status **Active**  
 Sign Off Required **No**  
 Manager **A Bakker**  
 Type **Internal Audit**

Number **505**  
 Start Date **22-May-2005**  
 Sign Off Status **Not Submitted**  
 Description **AmerSales upd01**

Objectives	Scope	Tasks	Controls	Risks	Processes	Organizations	Findings	Attachments	People
Add Task Download									
Expand All Collapse All									
Select	Focus	Tasks	Organization	Status	By	Executed On	Executed Open Findings	Add Audit Procedure	Create and Add Audit Procedure
<input type="radio"/>	<input type="radio"/>	AmerSales01							
<input type="radio"/>	<input type="radio"/>	Audit Procedures with No Task Assignments							
<input type="radio"/>	<input type="radio"/>	Detect Fraud							
<input type="radio"/>	<input type="radio"/>	Credit Authorization							

You can evaluate the structure in MS Excel and then use the Oracle > Upload facility in Web ADI to upload the results back to the engagement. Note that only the Evaluation results (Design Effectiveness, Operating Effectiveness and Audit Opinion are uploaded; changes made to the rest of the spreadsheet are ignored).

## Step 2: Provide a consolidated evaluation of the control

Topic	Navigation Path
Record audit results	Using the Internal Auditor (or equivalent) responsibility, click the Audit Operations tab and then the Engagements subtab.  Dilldown into the appropriate engagement and click the Controls hyperlink.

All controls associated with risks and processes in the audit engagement scope are listed in this window. There will typically be multiple audit procedures associated with

a particular control. Clicking the Show Details icon displays the results of all the individual audit procedures associated with and undertaken to evaluate that control.

Click the Evaluate icon to record your consolidated evaluation of the control based on the individual audit procedures undertaken (as described in Step 1).

- In the following Evaluate Control window, click the Risks Mitigated hyperlink to view the risks associated with the control being evaluated. This view provides context on all the risks that the control is mitigating and assists in your final audit opinion of the control.
- Click the Control Evaluation hyperlink to enter a consolidated evaluation of the control. This evaluation is also made regarding:
  - Design Effectiveness
  - Operating Effectiveness

Oracle Internal Controls Manager requires you to enter an overall audit opinion with respect to the particular control based on the audit procedures undertaken.

Field	Seeded Values	Source	Accessibility Level
(Audit Opinion) Conclusion	Effective Deficient Significantly Deficient Materially Weak	Opinions Framework components for the Organization - Control object: * Audit Opinion * Design Effectiveness * Operating Effectiveness	Refer to the section: Opinions Framework in Oracle Internal Controls Manager, page 8-37

**Note:** It is important to remember that this evaluation is a summary evaluation of the control and consolidates the individual control evaluations made while entering the results of audit procedures in Step 1.

### Step 3: Evaluate risks based on evaluations of the controls mitigating those risks

Topic	Navigation Path
Evaluate Risks	<p>Using the Internal Auditor (or equivalent) responsibility, click the Audit Operations tab and then the Engagements subtab.</p> <p>Drilldown into the appropriate engagement and click the Risks hyperlink. .</p>

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**Audit Engagement: Americas Sales Audit Q1 2004**

Engagement

Americas Sales Audit Q1 2004

Engagement Number

1001

Status

Active

Report

AMW Audit Report

Generate

View

Start Date

01-Jan-2004

Engagement Manager

Frazier, Mr. Landon

Sign Off Status

Not Submitted

Update

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Controls

All risks associated with processes in the audit engagement scope are listed in this window.

There can be multiple controls mitigating this risk that are associated to the risk. Clicking the Show Details icon displays the details of all the individual controls associated with and undertaken to mitigate the risk.

Click the Evaluate icon to record your evaluation of the risk based on your evaluations of the controls mitigating the risks (as described in Step 2).

- In the following Evaluate Risk window, click the Risk Processes hyperlink to view all the processes that are exposed to the risk being evaluated. This view provides a process context and can assist in your final audit opinion of the risk.
- Click the Risk Evaluation hyperlink to enter an overall audit opinion with respect to the particular risk.



Field	Seeded Values	Source	Accessibility Level
(Audit Opinion) Conclusion	Mitigated Somewhat Mitigated Somewhat Exposed Fully Exposed	Opinions Framework "Audit Opinion" component for the Organization - Process - Risk object	Refer to the section: Opinions Framework in Oracle Internal Controls Manager, page 8-37

## Step 4: Evaluate processes based on risk and control evaluations

Topic	Navigation Path
Evaluate Processes	<p>Using the Internal Auditor (or equivalent) responsibility, click the Audit Operations tab and then the Engagements subtab.</p> <p>Dilldown into the appropriate engagement and click the Processes hyperlink.</p>

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**Audit Engagement: Americas Sales Audit Q1 2004**

Engagement **Americas Sales Audit Q1 2004**  
Engagement Number **1001**  
Status **Active**

Report **AMW Audit Report**     
Start Date **01-Jan-2004**  
Engagement Manager **Frazier, Mr. Landon**  
Sign Off Status **Not Submitted**

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View **Organization-Process Hierarchy**

Select Organization

Focus Name	Open Findings	Risks	Controls	Evaluation Result	Evaluation History	Evaluate
▼ Enterprise						
▶ Vision Corporation						
▼ Engineering 1022						
▶ Sales Order Management		1/1/4	0/0/7			
▶ Sales 1002						
▼ Sales 1003						
Procure to Pay		0/1/1	0/1/2			

All processes and entities (companies, lines of business, and auditable units) in the audit engagement scope are available and you can view either:

- A list of processes or
- Processes according to the Organization Process hierarchy

Click the Evaluate icon for the relevant process to record your evaluation of the process based on your evaluations of the following:

- The risks that the process is exposed to (as described in Step 3)
- The controls mitigating those process risks (as described in Step 2)

In the Evaluate Process window enter an overall audit opinion for the process.

Field	Seeded Values	Source	Accessibility Level
(Audit Opinion) Conclusion	Effective Deficient Significantly Deficient Materially Weak	Opinions Framework "Audit Opinion" component for the Organization - Process object.	Refer to the section: Opinions Framework in Oracle Internal Controls Manager, page 8-37

## Step 5: Evaluate organizations based on process evaluations

Topic	Navigation Path
Evaluate Organizations	Using the Internal Auditor (or equivalent) responsibility, click the Audit Operations tab and then the Engagements subtab.  Dilldown into the appropriate engagement and then click the Organizations hyperlink.

<div> <a href="#">Home</a> <a href="#">Audit Operations</a> <a href="#">Segregation of Duties</a> <a href="#">Organizations</a> <a href="#">Risk Library</a> <a href="#">Setup</a> </div>																																																																																																							
<div> <a href="#">Engagements</a>   <a href="#">Assessments</a>   <a href="#">Findings</a>   <a href="#">Remediation</a> </div>																																																																																																							
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<div> <a href="#">Audit Objectives</a> <a href="#">Scope</a> <a href="#">Audit Tasks</a> <a href="#">Controls</a> <a href="#">Risks</a> <a href="#">Processes</a> <a href="#">Organizations</a> <a href="#">Findings</a> <a href="#">Attachments</a> <a href="#">Settings</a> <a href="#">People</a> </div>																																																																																																							
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<table> <tr> <th>Focus</th><th>Organization</th><th>Type</th><th>Location</th><th>Owner</th><th>Ineffective SubOrganization</th><th>Ineffective Processes</th><th>Unmitigated Risks</th><th>Ineffective Controls</th><th>Open Findings</th><th>Evaluation</th><th>Evaluation History</th><th>Evaluate</th></tr> <tr> <td></td><td>Enterprise</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr> <td></td><td>US</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr> <td></td><td>Operations</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr> <td></td><td>Vision Corporation</td><td>Corporate Headquarters</td><td>HR- New York</td><td></td><td>0 / 0 / 0</td><td>1 / 2 / 3</td><td>2 / 3 / 4</td><td>3 / 4 / 8</td><td>0</td><td>Deficient</td><td>o/o/o</td><td></td></tr> <tr> <td></td><td>Engineering 1022</td><td>Cost Centre</td><td>V1- New York City</td><td></td><td>0 / 0 / 0</td><td>0 / 0 / 3</td><td>1 / 1 / 4</td><td>0 / 0 / 8</td><td>0</td><td>Effective</td><td>o/o/o</td><td></td></tr> <tr> <td></td><td>Sales 1002</td><td>Cost Centre</td><td>V1- New York City</td><td></td><td>0 / 0 / 0</td><td>0 / 1 / 4</td><td>2 / 2 / 5</td><td>1 / 1 / 10</td><td>1</td><td>Effective</td><td>o/o/o</td><td></td></tr> </table>													Focus	Organization	Type	Location	Owner	Ineffective SubOrganization	Ineffective Processes	Unmitigated Risks	Ineffective Controls	Open Findings	Evaluation	Evaluation History	Evaluate		Enterprise													US													Operations													Vision Corporation	Corporate Headquarters	HR- New York		0 / 0 / 0	1 / 2 / 3	2 / 3 / 4	3 / 4 / 8	0	Deficient	o/o/o			Engineering 1022	Cost Centre	V1- New York City		0 / 0 / 0	0 / 0 / 3	1 / 1 / 4	0 / 0 / 8	0	Effective	o/o/o			Sales 1002	Cost Centre	V1- New York City		0 / 0 / 0	0 / 1 / 4	2 / 2 / 5	1 / 1 / 10	1	Effective	o/o/o	
Focus	Organization	Type	Location	Owner	Ineffective SubOrganization	Ineffective Processes	Unmitigated Risks	Ineffective Controls	Open Findings	Evaluation	Evaluation History	Evaluate																																																																																											
	Enterprise																																																																																																						
	US																																																																																																						
	Operations																																																																																																						
	Vision Corporation	Corporate Headquarters	HR- New York		0 / 0 / 0	1 / 2 / 3	2 / 3 / 4	3 / 4 / 8	0	Deficient	o/o/o																																																																																												
	Engineering 1022	Cost Centre	V1- New York City		0 / 0 / 0	0 / 0 / 3	1 / 1 / 4	0 / 0 / 8	0	Effective	o/o/o																																																																																												
	Sales 1002	Cost Centre	V1- New York City		0 / 0 / 0	0 / 1 / 4	2 / 2 / 5	1 / 1 / 10	1	Effective	o/o/o																																																																																												

Note that you can view the Organizations through the hierarchical filter described earlier.

Click the Evaluate icon for the appropriate Auditable Unit. The evaluation of the organization is based on the evaluation of the processes being executed in that organization. In accordance with COSO standards, this evaluation is made with respect to the five COSO components:

- Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring

Based on the above evaluation, you can enter an Overall Audit Opinion for the organization.

Field	Seeded Values	Source	Accessibility Level
(Audit Opinion) Conclusion	Effective Deficient Significantly Deficient Materially Weak	Opinions Framework components for the Organization object: * Audit Opinion * Control Environment * Risk Assessment * Control Activities * Information and Communication * Monitoring	Refer to the section: Opinions Framework in Oracle Internal Controls Manager, page 8-37

## Step 6: Sign Off on the Engagement (if required)

If sign off is required, then the engagement must be submitted and approved before the audit is deemed completed. In this case users will not be able to change the status from "Active" to "Completed."

If sign off is not required, then users can update the status of the engagement to "Completed." The Sign Off Status will remain as "Not Submitted."

**Note:** For more information on setting up the Sign Off, refer to the section Setup a Sign Off Process, page 8-12.

Engagement Status:

This status is updated as follows:

Status	Description
Active	All engagements are created with this status
Signed Off	When the engagement is complete (and all defined objectives are satisfied), the Engagement Approver updates the engagement to this status
Completed	The Signed Off status can be updated to Completed
Cancelled	Update to this status if the engagement is cancelled.

Sign Off Status:

Status	Description
Not Submitted	Not Submitted
Pending Approval	Once the Engagement is submitted for sign off and prior to approval or rejection
Approved	Approved
Rejected	Rejected
Not Completed	Displayed if there is a problem with the workflow routing.

## Notes on Engagement Execution

### Findings in Audit Engagements

You can associate different types of objects (risks, controls, processes, etc.) as well as multiple instances of an object to the same Finding. For example, during the course of an audit engagement, the same non conformity may apply to multiple risks.

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Audit Engagement: Americas Sales Audit Q1 2005

NameAmericas Sales Audit Q1 2005

StatusActive

Sign Off RequiredNo

ManagerSharma, Anita

TypeInternal Audit Type

ReportAMW Audit Report

NumberIA10024

Start Date12-Feb-2005

Sign Off StatusNot Submitted

Description

Update

Generate

View

ViewMain

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Details	Risk	Organization	Process	Open Findings	Evaluation	Evaluation History	Evaluate
Show	Unauthorized Processing of Supplier Invoices	Vision Computers	ICM_1				
Show	Unauthorized Processing of Supplier Invoices	Vision Support	ICM_1				
Show	Incomplete processing of supplier invoices	Vision Computers	Order to Pay				

**Note:** For more information on creating Findings, refer to Findings in Oracle Internal Controls Manager, page 12-1.

## Attachments to Audit Engagements

While executing an audit engagement, it is beneficial to attach all necessary paperwork to the engagement entity. The paperwork can take the form of evidence collected as part of field work as well as contractual documents etc.

You can choose to store the document within the Oracle E-Business suite (Oracle Files) or in an external document management system.

**Note:** For more information on attaching documents to the Engagements in the application, refer to Attachments in Oracle Internal Controls Manager, page 2-29.

## Updates through Business Events

Whenever evaluation, certification, and exception data is created or updated in Oracle Internal Controls Manager, that entry raises a business event. Behind the scenes, multiple event subscribers take note of the change and update the values in all the application's engagement and certification views. The numbers hence reflect the latest data and state of the module.

Note that the application pages display in a disconnected http mode. Hence though the numbers are updated nearly instantaneously in the database tables through event processing, the screen must be refreshed or the page revisited for the changes to display.

## Profile AMW: Display option for evaluation and certification numbers

The numbers in the window (for ineffective orgs, processes, etc.) are displayed according to the profile option "AMW: Display option for evaluation and certification numbers." The profile option values are seeded as follows:

- Ineffective (Unmitigated)
- Ineffective (Unmitigated) / Total Evaluated
- Ineffective (Unmitigated) / Total
- Ineffective (Unmitigated) / Total Evaluated / Total
- Percent of ineffective over total (Default).

(Ineffective refers to Organizations, Processes and Controls, Unmitigated refers to Risks)

## Opinions Framework in Oracle Internal Controls Manager

There are several different kinds of audit evaluations and certifications that must be entered during an audit conducted using Oracle Internal Controls Manager. For example, routine evaluations are made on process, risk, control, and audit procedure objects. Objects being certified include financial items and statements.

Audit evaluations and certifications are typically made in terms of seeded "opinions." There can be different types of opinions based on the object being evaluated. For example, you enter one type of opinion to record the evaluation of a control object and another type to record the evaluation of an organizational object.

Audit objects in turn have different "component" dimensions and you can enter an evaluation for each of these components. For example, when evaluating a control in a particular process, you can evaluate it in terms of the following:

- Design Effectiveness
- Operating Effectiveness
- An overall Audit Opinion of the control

The Opinions Framework in Oracle Internal Controls Manager provides the following:

1. Seeded opinion values for all components for all objects belonging to the framework. These values correspond to Oracle defined codes.

The following table shows an example of seeded opinion values and their corresponding codes for the Design Effectiveness component of an Organization - Control object.

Value (user defined)	Code (Oracle defined)
Deficient	SOMEWHAT_EFFECTIVE
Effective	EFFECTIVE
Materially Weak	INEFFECTIVE
Significantly Deficient	NEARLY_INEFFECTIVE

2. The ability to create user defined values for opinions that can be selected when making evaluations and certifications. However, the user defined value that you enter must correspond to an Oracle defined code that is available for the relevant object and opinion.

**Note:** This correspondence is required because several other features in the application, for example the display of images in the dashboard, are based on these codes values.

The following table shows the details of different objects that are evaluated as a part of the Opinions Framework in Oracle Internal Controls Manager:

Object	Opinion Type	Component (s)	Seeded Values (for each component)	Notes
Organization - Audit Procedure - Control	Evaluation	Audit Opinion	Effective	Discussed in this chapter
		Design	Deficient	
		Effectiveness	Significantly Deficient	
Organization - Control	Evaluation	Operating	Materially Weak	Discussed in this chapter
		Effectiveness		
Organization - Process - Risk	Evaluation	Audit Opinion	Effective	Discussed in this chapter
		Design	Deficient	
		Effectiveness	Significantly Deficient	
Organization - Process	Evaluation	Operating	Materially Weak	Discussed in this chapter
		Effectiveness		











<b>Object</b>	<b>Opinion Type</b>	<b>Component (s)</b>	<b>Seeded Values (for each component)</b>	<b>Notes</b>
Organization	Evaluation	Audit Opinion Control Environment Risk Assessment Control Activities Information and Communication Monitoring	Effective Deficient Significantly Deficient Materially Weak	Discussed in this chapter
Key Account	Evaluation	Audit Opinion	Effective Deficient Significantly Deficient Materially Weak	See 2. Evaluate and Certify Financial Items.
Financial Item	Evaluation	Audit Opinion	Effective Deficient Significantly Deficient Materially Weak	See 2. Evaluate and Certify Financial Items.
Financial Statement	Certification	Certification Result	Certified Certified with Issues	See 3. Certify the Financial Statement.
Organization - Process	Certification	Certification Result	Certified Certified with Issues	See Process Certification: Business Process Owner
Organization	Certification	Certification Result	Certified Certified with Issues	See Process/Org Certification - My Organization subtab

## To create user defined values for Opinions Framework objects

Topic	Navigation Path	Oracle Internal Controls Manager Window
Create user defined values for objects in the Opinions Framework	Using the Internal Auditor (or equivalent) responsibility, click the Setup tab and then the Opinions subtab  Drill into the relevant object by clicking the Components icon  Drill into the appropriate component by clicking the Values icon	Configure Opinions Configure Components Configure Values

### Configure Values

Object	Organization - Audit Procedure - Control	Opinion Type	Evaluation	
Component	Audit Opinion			
<div>Add</div>				
Value	Code	Image	End Date	Edit
Deficient	SOMEWHAT_EFFECTIVE			
Effective	EFFECTIVE			
Materially Weak	INEFFECTIVE			
Significantly Deficient	NEARLY_INEFFECTIVE			

In the Configure Values window, you may add or edit a seeded value by clicking the appropriate icon. Note that in either case, the value you create or edit must correspond to one of the Oracle Internal Controls Manager code values that is available for the relevant object, opinion type, and component.

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## Segregation of Duty Constraints

This chapter covers the following topics:

- Introduction
- Responsibilities and Functions in Oracle Applications
- Implementing Segregation of Duties Constraints

### Introduction

To meet financial objectives, management must ensure that an internal control system is in place that supports the business processes of the organization. In addition, legislation like Sarbanes-Oxley laws in the United States require external auditors to render an opinion on the reliability of a firm's internal controls system.

A fundamental principle of a sound internal control system is that there are no users who have access to a group of tasks that are incompatible with each other. At any given time therefore, an individual's job in an enterprise should encompass the rights and responsibilities that come from access to only one task from a set of incompatible tasks.

The segregation of duties control addresses the specific risk that a user may have access to a certain combination of tasks that provide the opportunity for misconduct. Consider the following examples:

- If a user can set up a supplier in an accounts payable system and also authorize an invoice for payment, a risk exists that they can pay themselves with company funds.
- To prevent unauthorized write-offs, an individual responsible for inventory accuracy should not be certifying cycle count adjustments.
- Fraud can be perpetrated if systems development staff are involved with live operations.

Segregating duties does not eliminate the risk of collusion between members of staff in different areas, but it does serve as a deterrent. In addition, insulating work in an

organization also functions as a safeguard against the possibility of unintentional damage through error. Incompatible tasks are therefore divided among different members of the organization to reduce the scope for error and fraud.

Using Oracle Internal Controls Manager, you now have the ability to identify any combination of tasks in an enterprise as incompatible and report on those occurrences where a single user has access to them.

Once the segregation of duties violations has been identified, auditors can create correction requests to remedy them. These correction requests can be assigned priorities, assigned to different people, and tracked through their lifecycle.

## Responsibilities and Functions in Oracle Applications

The Segregation of Duties feature in Oracle Internal Controls Manager is based on access to Responsibilities and Functions in the Oracle E-Business Suite.

### Responsibilities

In a typical applications environment, multiple users are assigned a number of Responsibilities in the Oracle E-Business Suite. Responsibilities define application privileges by allowing users access to only those Oracle Applications functions and data appropriate to their roles in the organization. Each responsibility allows access to the following items (among others):

- A specific application or applications, such as Oracle General Ledger or Oracle Planning as well as a Set of Books.
- A restricted list of windows that a user can navigate to; for example, a responsibility may allow certain Oracle Planning users to enter forecast items, but not enter master demand schedule items.
- A restricted list of functions a user can perform. For example, two responsibilities may have access to the same window, but one responsibility's window may have additional function buttons that the other responsibility's window does not have.

### Functions

Functions are a security feature in Oracle Applications that are used to control access to specific application features. Each function typically corresponds to an application feature like a page, button, tab, or menu.

Functions translate into duties/tasks in the modules and are therefore equivalent to the actions that users can perform. Only if a particular function is included in a user's responsibility will that individual be able to access the feature and execute the task. Oracle E-Business Suite applications come pre-seeded with a large number of relevant functions. By treating form functions as tasks, the Segregation of Duties feature integrates seamlessly with the Oracle E-Business Suite security model.

## Manual Functions in External Applications

You can also create your own functions and select them in Oracle Internal Controls Manager. This makes the Segregation of Duties functionality also extendable to tasks performed manually. For example, if one wants to specify that the night security guard should not have access to the master keys, then two functions can be created for each of these tasks and subsequently assigned to users.

Tasks performed in other ERP or legacy systems can also be handled in this fashion. If you use functions that originate in third party applications, then you will need to set the profile options shown below to map the users, responsibilities, functions, etc. in those systems to Oracle Internal Controls Manager. The external entities will then be recognized by the Oracle application.

The following table lists the profile options that must be seeded if Oracle E-Business functions are not used.

**Note:** For detailed information on the use of functions, also refer to *Managing Oracle Applications Security*, in the *Oracle Applications System Administrator's Guide*.

Profile Option	Description	Required Columns	Default Value (Oracle)
AMW: Table for Users	This table/view stores information about application users. Each row includes the user's username (what a user types in at the sign-on screen)	USER_ID USER_NAME PERSON_PARTY_ID START_DATE END_DATE	FND_USER
AMW: Table for User Responsibilities	This table/view stores information about the responsibilities assigned to an application user. Each row includes values that identify the user and the responsibility. Each row also contains a start date and end date for that responsibility assignment. You need one row for each responsibility assigned to each application user. Oracle Application Object Library uses this information to determine which forms and menus a user can access.	USER_ID RESPONSIBILITY_ID RESPONSIBILITY_APPLICATION_ID START_DATE END_DATE CREATED_BY	FND_USER_RESP_GROUPS

Profile Option	Description	Required Columns	Default Value (Oracle)
AMW: Table for Responsibilities	This table/view stores information about responsibilities. Each row includes the application it belongs to and values that identify the main menu that the responsibility uses. You need one row for each responsibility at your site.	RESPONSIBILITY_ID RESPONSIBILITY_KEY APPLICATION_ID MENU_ID START_DATE END_DATE	FND_RESPONSIBILITY
AMW: View for Responsibility Name	This is a view of the above table.	RESPONSIBILITY_ID RESPONSIBILITY_KEY APPLICATION_ID MENU_ID START_DATE END_DATE RESPONSIBILITY_NAME	FND_RESPONSIBILITY_VL
AMW: Table for Exclusion Function Rules	This table/view stores security exclusion rules for function security menus. Security exclusion rules are lists of functions and menus inaccessible to a particular responsibility. Each row includes an action identifier whose value is dependent on the rule type.  In the pseudo code below, F=Function and M=Menu. (ACTION_ID=FUNCTION_ID from AMW_FORM_FUNCTIONS if RULE_TYPE='F' or ACTION_ID=MENU_ID AMW_MENUS if RULE_TYPE='M')	RESPONSIBILITY_ID ACTION_ID RULE_TYPE APPLICATION_ID	FND_RESP_FUNCTIONS

Profile Option	Description	Required Columns	Default Value (Oracle)
AMW: View for Function Name	This table/view stores information about function grouping in forms. Each row includes a function identifier, the function name, and the application identifier. You need one row for each function.	FUNCTION_ID FUNCTION_NAME APPLICATION_ID TYPE USER_FUNCTION_NAME MAINTENANCE_MODE_SUPPORT CONTEXT_DEPENDENCE	FND_FORM_FUNCTIONS_VL
AMW: Table for Menus	This table/view lists the menus that appear in the Navigate Window, as determined by the System Administrator when defining responsibilities for function security. Each row includes a menu name and identifier. You need one row for each menu (and each submenu) in each application.	MENU_ID TYPE MENU_NAME	FND_MENU
AMW: View for Menu Names	This is a view of the above table.	MENU_ID TYPE MENU_NAME USER_MENU_NAME	FND_MENU_VL

Profile Option	Description	Required Columns	Default Value (Oracle)
AMW:Table for Menu Entries	This table/view stores information about individual entries in the table specified by the profile option "AMW:Table for Menus." Each row includes an ID number that identifies the menu to which the entry belongs, a sequence number that determines the order in which the entry appears on the menu (relative to other choices on the same menu), the submenu and/or function attached to the entry. You need one row for each entry (menu choice) in each navigate window menu.	MENU_ID ENTRY_SEQUENCE SUB_MENU_ID FUNCTION_ID GRANT_FLAG	FND_MENU_ENTRIES
AMW: Flat view for Menu Function Relation	This table compiles the information from the table specified by the profile option "AMW:Table for Menu Entries." This facilitates runtime lookups of which functions are on which menus. It collapses the hierarchy in the above table into a flat format. This does not take exclusions into account.	MENU_ID FUNCTION_ID GRANT_FLAG	FND_COMPILED_MENU_FUNCTIONS
AMW: Table for Grants	Contains the Table Name to get to Grants.	NAMEMENU_IDOBJECT_IDGRANTEE_KEYGRANTEE_TYPEINSTANCE_TYPESTART_DATEEND_DATEGRANTEE_ORIG_SYSTEMCREATED_BY	FND_GRANTS
AMW: view for user roles	Contains the View Name to get the User Role Assignment.	USER_NAMEROLE_NAMESTART_DATEEND_DATECREATED_BY	WF_USER_ROLE_ASSIGNMENTS
AMW: table for request group units	Contains the Table Name to get the Request Group Units.	REQUEST_GROUP_IDREQUEST_UNIT_TYPEREQUEST_UNIT_ID	FND_REQUEST_GROUP_UNITS



Profile Option	Description	Required Columns	Default Value (Oracle)
AMW: view for concurrent programs	Contains the View Name to get the Concurrent Programs.	USER_CONCURRENT_P ROGRAM_NAME CONCURRENT_PROGRA M_ID	FND_CO NCURRE NT_PROG RAMS_VL
AMW: table for request groups	Contains the Table Name to get the Request Group.	REQUEST_GROUP_NAM E REQUEST_GROUP_ID	FND_REQ UEST_GR OUPS
AMW: view for roles	Contains the View Name to get the Roles.	NAMEDISPLAY_NAMEO RIG_SYSTEMORIG_SYST EM_ID	WF_ALL_ ROLES_V L
AMW: view for application s	Contains the View Name to get the Oracle Applications.	APPLICATION_ID APPLICATION_SHORT_ NAME	FND_APP LICATIO N_VL

## Implementing Segregation of Duties Constraints

Segregation of duties constraints enable you to check if any users in an enterprise can access incompatible responsibilities and functions. Oracle Internal Controls Manager facilitates the proactive monitoring and reporting of incompatible tasks.

**Note:** Users are not restricted to employees in the Oracle HR system. The application recognizes any individual defined in Oracle Applications as a user (all those listed in the FND\_USER table).

Constraints can be setup as a list of functions or responsibilities. The user violation for these constraints can be set up as having access to either any two functions/responsibilities, or all functions/responsibilities in the list. Segregation of duties constraints can also be set up by defining two sets of incompatible responsibilities or functions as a constraint. A user violates a given constraint if they have access to any one function or responsibility from the first set and also have access to any one function or responsibility from the second set.

Functions can include concurrent programs. The program name and request group appear in the violation report.

Constraints can be defined as detective or preventative. Detective constraints enable

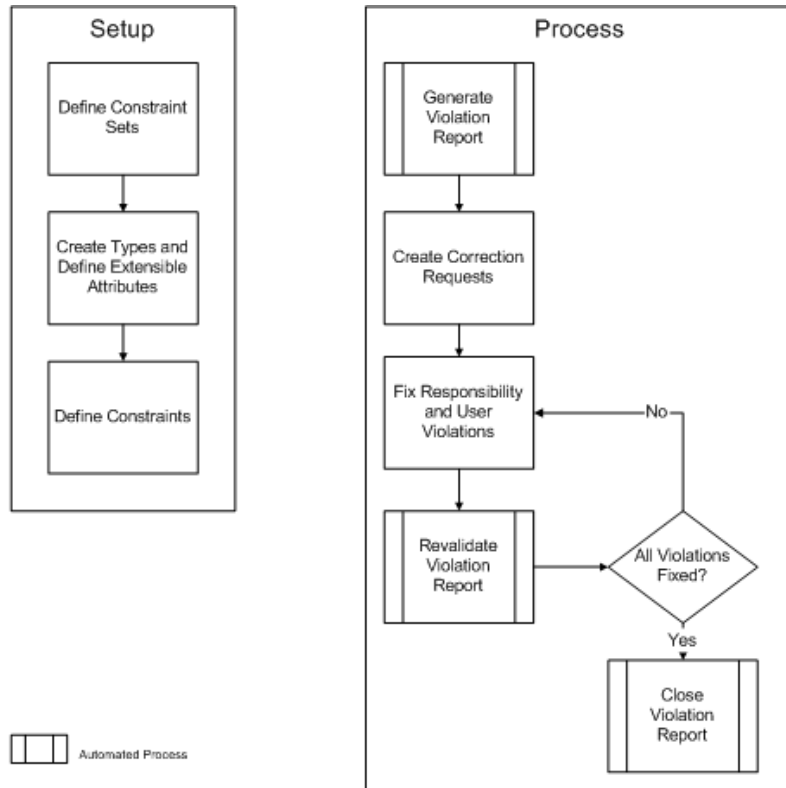
you to find segregation of duties violations by running the segregation of duties violation report, to check for violations that already exist. Preventative constraints enable you to prevent users from being assigned incompatible responsibilities by having the system interactively check for segregation of duties violations. The system checks for preventative segregation of duties violations when:

- A user is added a responsibility
- A function or submenu is added to a menu
- A menu is associated with a responsibility

Oracle ICM integrates with Oracle User Management (UMX) to display violations when an administrator assigns additional roles to a user. The administrator can override the violation if they have access to the permission set `AMW_ALLOW_SOD_OVERRIDE`. For self-service role requests from users, UMX routes these requests to the appropriate individuals for approvals. If the new roles would result in segregation of duties violations, a list of the violations is included in the notification to the approvers. You can also implement segregation of duties constraints by associating constraints with a control that is in the risk library. Process owners of any process that include this control will be notified whenever the associated constraint is violated.

Related constraints can be grouped together into constraint sets. By running a concurrent program, the application reports occurrences where an individual possesses access to two or more of these incompatible tasks and thereby violates the constraint. When a constraint violation is found, you can initiate a correction request for management to take action by modifying the duties of those users with incompatible tasks.

The following diagram provides an overview of the steps that you complete to implement segregation of duties constraints in Oracle Internal Controls Manager.



To create segregation of duties constraints and correct violations, complete the following steps:

1. Define constraint sets
2. Create classification types and define extensible objects
3. Define constraints
4. Enable preventative constraints
5. Generate the Segregation of Duties Constraint Violations report
6. Review segregation of duties violations
7. Generate correction requests and fix violations

These steps are described in the following sections.

## 1. Define Constraint Sets

A constraint set is a logical grouping of constraints. You associate a segregation of duties constraint with a constraint set when you create or update the constraint. A given constraint can belong to one or more constraint sets. When you run the segregation of duties constraint violation report, you can process the report for all constraints that are part of a specified constraint set.

To define constraint sets, use the Internal Controls Manager Super User (Forms) responsibility to navigate to the Lookups form. Set up lookup values for Type AMW\_SOD\_CONSTRAINT\_SETS.

## 2. Create Classification Types and Define Extensible Attributes

Segregation of duty classification types are an optional attribute that you can use with segregation of duties constraints. They enable you to define constraints with extensible attributes. The additional attributes appear once you assign a classification when you create or update a segregation of duties constraint.

To create classification types and attribute groups, using the Internal Auditor (or equivalent) responsibility, click the Setup tab, and then the Segregation of Duties subtab. Drill down into the Types hyperlink to create the classification type, or the Attributes hyperlink to create the attribute group.

**Note:** For more information on setting up and using Extensible Attributes, refer to Extensible Attributes., page 14-1

## 3. Define Constraints

Segregation of duty constraints are created by setting up either

- Two or more responsibilities or
- Two or more functions or
- Two sets of incompatible functions or responsibilities

as incompatible with each other. Your first task is therefore to define a seeded registry of constraints that define incompatible jobs and duties.

For the purposes of this example, assume that we have just one set of conflicting duties - the organization does not want users who can create purchase orders to be able to also enter invoices and vice versa.

**Note:** The incompatible responsibilities and functions can span

application modules - for example responsibilities or functions in Oracle Purchasing and Oracle Payables can be setup as incompatible.

Topic	Navigation Path
Create Segregation of Duty Constraints	Using the Internal Auditor (or equivalent) responsibility, navigate to the Segregation of Duties tab and then the Constraints subtab.

Define Segregation of Duty Constraints in the following way:

- a. Enter the basic attributes of the constraint
- b. Set up two or more incompatible functions or responsibilities
- c. Optionally set up responsibility and/or user waivers
- d. Optionally associate with a constraint set.

#### a. Entering Basic Attributes

The constraint name in this example is "PO-Invoice SOD."

The following table provides further information on select fields in the Segregation of Duties Constraint page.

Field	Details
Access Level	The two values are Function and Responsibility. Once the constraint is created, this field will no longer be displayed.
Violation Definition radio button	<p>A violation will exist in any one of the following cases:</p> <p>"User possesses all functions/responsibilities from the set of incompatible functions/responsibilities"</p> <p>"User possesses any two functions/responsibilities from the set of incompatible functions/responsibilities."</p> <p>"User possesses any functions/responsibilities from the first set and any functions/responsibilities from the second set."</p> <p>The actual set of incompatible functions and responsibilities is defined in the subsequent window - Step b. below</p>
Objective	The two values are Detect and Prevent.

Field	Details
Classification	Select a category if you have defined classifications. Otherwise this defaults to "Not Defined"

## b. Setting up Incompatible Functions or Responsibilities

Setup of incompatible responsibilities: If the constraint involves responsibilities, then all existing responsibilities in the registered applications of the Oracle E-Business Suite are available. If our example used responsibilities, then typical Purchasing and Payable responsibilities would be made incompatible with each other.

Setup of incompatible functions: All existing functions in the registered applications of the Oracle E-Business Suite are available.

You may restrict the list of functions that are displayed or search for a particular function by entering a filter. Oracle Internal Controls Manager provides three filters as follows:

- Responsibility
- Type
- Function Name

**Note:** The resulting list of functions is restricted to 200 entries.

Functions are classified by Type. Standard function types include the following:

- Concurrent program - Concurrent programs within Oracle Applications.
- Form - Oracle Applications form functions are registered with a type of FORM.
- Subfunction - Subfunctions added to menus (without prompts) to provide security functionality for forms or other functions.
- JSP - Functions used for some products in the Oracle Self-Service Web Applications suite. These are typically JSP functions.
- WWW - Functions used for some products in the Oracle Self-Service Web Applications suite. These are typically PL/SQL functions.

**Note:** For more information on Function Type, refer to the Oracle Applications Developer's Guide.

You will need to know the Type and/or Name of relevant functions to isolate them when defining constraints.

In our example, as both the entering of invoices and creation of purchase orders correspond to forms within Oracle Payables and Oracle Purchasing, both Types of functions in the example will correspond to "Form."

To define constraints with two sets of incompatible functions or responsibilities, you need to set up incompatible function (or responsibility) sets. A user is in violation of this constraint if he/she has any function/responsibility from the first set and any function/responsibility from the second set.

To define sets of incompatible functions or responsibilities:

1. Login as AUDITOR and navigate to Segregation of Duties -> Constraints.
2. Click on Create and enter values. For example:
  - Name: Payables Function Set1
  - Access Level: Function
  - Violation Definition: User Possessing any two functions from two incompatible sets.
3. Click on Next.
4. Select values and save the constraint. For example:
  - For the first shuttle, select any 2 functions that are accessible through both 'Payables, Vision Operations (USA)' and 'Payables Vision UK' responsibilities.
  - For the second shuttle, choose another 2 functions that are accessible through both the above responsibilities

### c. Setting up Responsibility and/or User Waivers (Optional)

You may optionally set up exceptions to the constraint in the form of "waivers." Responsibility and User Waivers specify one or more responsibilities and users for which the constraint (that is being setup) will not apply. As an example, a Payables Super User may be exempted from the company wide rule that individuals who have access to purchase orders can enter invoices as well.

The two types of waivers are distinct i.e. the constraint is not deemed violated by individuals listed under User Waivers nor by those who have access to the responsibilities listed under Responsibility waivers. Note that waivers can be restricted to a particular date range by entering the End Date for the waiver.

**Note:** Only user waivers can be setup for responsibility constraints.

#### d. Associating with a Constraint Set (Optional)

You may optionally associate the constraint with a constraint set. This enables you to run the violation report for all constraints within a specific constraint set.

#### Importing Segregation of Duty Constraints

Instead of manually entering the segregation of duty constraints, you can now use Web ADI to import constraints into the application. Web ADI provides many advantages including the use of a native spreadsheet interface.

Topic	Navigation Path
Import Segregation of Duty Constraints	Using an Internal Auditor (or equivalent) responsibility, click the Segregation of Duties tab and then the Import subtab.

Use the "Import Constraints" hyperlink to import constraint details into the application. Oracle Internal Controls Manager first requires that you select user settings like the viewer (Excel 1997/2000). The spreadsheet is then displayed and you can enter/copy values into these cells. Finally select Oracle - Upload from the menu bar to begin the import process.

The following table lists the fields in the import spreadsheet:

Field Name	Mandatory	Validation
Constraint Name	Yes	NA
Start Date	Yes	MM-DD-YYYY
Violation Definition	Yes	Function: All - User possessing all functions from the set of incompatible functions  Function: Mutually Exclusive - User possessing any two functions from the set of incompatible functions  Responsibility: All - User possessing all responsibilities from the set of incompatible responsibilities  Responsibility: Mutually Exclusive - User possessing any two responsibilities from the set of incompatible responsibilities



Field Name	Mandatory	Validation
Description	No	NA
End Date	No	MM-DD-YYYY
Risk Name	No	All valid risk names in the OICM Risk Library
Incompatible Function	No	All existing functions in the registered applications of the Oracle E-Business Suite
Type	No	<p>This field is applicable only when a selection is made for the Incompatible Function column.</p> <p>Values are:</p> <ul style="list-style-type: none"> <li>• FUNC: Indicates the incompatible function is a function.</li> <li>• CP: Indicates the incompatible function is a concurrent program.</li> </ul>
Incompatible Responsibility	No	All existing responsibilities in the registered applications of the Oracle E-Business Suite

**Note:** The import spreadsheet cannot be used to import constraint waivers. Once Segregation of Duty Constraints are imported into the application, query them up and append any Responsibility or User waivers as necessary.

Web ADI uploads the data from the spreadsheet into the AMW\_CONSTRAINT\_INTERFACE interface table. A concurrent program then uploads the data from the interface table to the base tables. Any errors that occur during the import process are flagged as errors with appropriate error messages.

If set to "Yes," the profile option AMW: Constraints - Delete after Import will delete controls from the interface table after their successful import via WEBADI.

For Web ADI to work with Excel 2002 (XP), perform the following three steps:

1. Open Excel 2002
2. Go to Tools -> Macro -> Security -> Trusted Sources

3. Check the "Trust access to Visual Basic Project"

## 4. Enable Preventative Constraints

To enable the system to proactively monitor preventative constraints, complete the following steps:

- a. Set up form personalizations
- b. Run the Populate Segregation of Duties Constraint Repository concurrent program.

### a. Setting up Form Personalizations

This section provides an overview of Form Personalizations and provides an example of how to set up forms personalizations for a user.

**Note:** Unless there is an explicit save after adding each responsibility, the segregation of duties check can be bypassed in the user maintenance form. Similarly, in the menu maintenance form, unless there is an explicit save after adding each function or sub-menu, the segregation of duties validation can be bypassed.

For more information about forms personalization see the *Oracle Applications System Administrator's Guide - Security*.

The segregation of duties preventative mechanism is enabled using Forms Personalization. The Form Personalization feature allows you to declaratively alter the behavior of Forms-based screens. For each function (a form running in a particular context based on parameters passed to it), you can specify one or more Rules. Each Rule consists of an Event, an optional Condition, the Scope for which it applies, and one or more Actions to perform.

An Event is a trigger point within a form, such as startup (WHEN-NEW-FORM-INSTANCE), or when focus moves to a new record (WHEN-NEW-RECORD-INSTANCE). There are standard events that almost every form sends, and certain forms send additional product-specific events.

The Scope is evaluated based on the current runtime context to determine if a Rule should be processed or not. The Scope can be at the Site, Responsibility, User, or Industry level. Each Rule can have one or more Scopes associated with it.

The Condition is an optional SQL code fragment that is evaluated when the Event occurs; if it evaluates to TRUE then the Actions are processed. Each Action consists of one of the following:

- Setting a Property, such as making a field Required or hiding a Tab page
- Executing a Built-in, such as GO\_BLOCK, DO\_KEY or FND\_FUNCTION.EXECUTE

- Displaying a Message
- Enabling a Special menu entry

Once Rules are defined, when the target function is run then the Rules are automatically applied as events occur within that form.

To create personalizations for a particular function, first invoke that function from the Navigation menu. While in the form, choose Help, Diagnostics, Custom Code, Personalize from the menu. This menu entry is secured by the FND\_HIDE\_DIAGNOSTICS (Hide Diagnostics menu entry) and DIAGNOSTICS (Utilities:Diagnostics) profiles, as are most other entries on the Diagnostics menu.

Each Rule consists of the following fields:

Field	Description
Seq:	The sequence in which rules will be processed. This is a value between 1 and 100, with 1 being processed first. The sequence of rules does not have to be unique. Note that there is an interaction with the Trigger Event field, described below.
Description:	Use this field to document the personalization you are making.
Enabled:	Clear this check box to temporarily disable processing of a Rule.

The following fields appear on the Condition tab:

Field	Description
Trigger Event:	Select the event at which you want the Rule to be processed. You can pick from the list of standard events, or type in a specific event unique to the form. Note that this field is a Combobox, which is a hybrid of a Poplist and Text Item. Rules are processed first by matching the Event, then by their Sequence number.

Field	Description
Trigger Object:	Depending on the Trigger Event, this field may be Disabled, or Enabled and Required in which case it will validate against a List of Values. For example, if Trigger Event WHEN-NEW-ITEM-INSTANCE is selected, then you must enter a specific block.field for that trigger to be processed.
Condition:	This is an optional SQL code fragment that is evaluated when the Event occurs; if it evaluates to TRUE then the Actions are processed.
Processing Mode:	This controls whether the Rule should be processed if the event occurs during enter-query mode processing.

The following fields appear on the Action tab:

Field	Description
Seq:	The sequence in which actions will be processed within that Rule. This is a value between 1 and 100, with 1 being processed first. The sequence does not have to be unique. All of the actions associated with a particular rule are processed as a group, then the next rule (if any) is processed.

Field	Description
Type:	<p>The type of action to take. Options are:</p> <ul style="list-style-type: none"> <li>• Property: allows you to select a specific object, a property of that object, and specify a new value for that property</li> <li>• Builtin: allows execution of a standard Forms Builtin, such as GO_BLOCK or DO_KEY</li> <li>• Message: displays a message in one of several styles</li> <li>• Special: enables a special menu entry, defining its label, icon name and which blocks it applies to.</li> </ul>
Description:	Use this field to document the personalization action you are making.
Language:	Specify 'All' to have the action processed for any language, or select a specific language. Typically text-related personalizations would be applied for a specific language.
Enabled:	Clear this check box to temporarily disable processing of the action.

The following fields appear conditionally based on the Type field:

When Type is 'Property':

Field	Description
Select By Text:	This button allows you to select an object based on text appearing on the screen at the point in time that you invoke the Personalization form, including any changes that current rules might have performed. For example, if you want to change a field with the current prompt of 'Item Number', you should see 'Item Number' in this list, and selecting it will automatically fill in the Object Type and Target Object fields.
Object Type:	the type of object, including Item, Window, Block, Tab, Canvas, Radio button, View, GLOBAL, or PARAMETER.
Target Object:	based on the Object Type, the internal name of the object.
Value:	the new value. The appearance and validation of this field changes based on whether the property accepts Boolean values (True/False), numbers, a restricted set of values, or a string (See Evaluation of Strings below)
Get Value:	This button gets the current property value of the object.

When Type is 'Message':

Field	Description
Message Type:	either 'Show', 'Hint', 'Warn', 'Error', or 'Debug'. 'Error' and 'Warn' if the user selects the 'Cancel' button will raise a form_trigger_failure after executing, and stop all further processing. Messages of type 'Debug' will only be displayed if the 'Show Debug Messages' checkbox is checked.
Message Text:	The text you want to display in the message.

### Example: Setting up Forms Personalization for User Forms

The following example describes how to set up personalization for a user form that will

generate an error message. Use this same method to define form personalizations for Responsibilities forms and Menu forms.

1. Login as System Administrator to Oracle Forms Application.
2. Navigate to Security: User, Define.
3. Search for a user, for example, AUDITOR (you have to bring up the user detail in order to proceed the next step).
4. On the top menu select Help, Diagnostics, custom code, personalize. Enter the following information into the fields on the Form Personalization (Users) page:

---

Field	Value
Function Name	FND_FNDSCAUS
Form Name	FNDSCAUS
Debug Mode	OFF
Seq	10
Description	Segregation of Duties Constraint
Level	Function
Enable	Selected

---

5. Enter the following values for the fields on the Condition Tab

---

Field	Value
Trigger Event	WHEN-NEW-ITEM-INSTANCE
Trigger Object	USER_RESP.DESCRPTION
Condition	:system.record_status = 'INSERT' and amw_violation_pub.Check_Resp_Violations (:user_resp.user_id,:user_resp.responsibility _id) = 'Y'

---

Processing Mode	Not in Enter-Query Mode
Level	Site
Value	Leave this field blank

6. This rule contains two actions. For the first action (Seq = 10), enter the following values for the fields on the Actions Tab:

Field	Value
Seq	10
Type	Property
Description:	set responsibility name to nul
Language:	American English
Enabled	Yes
Object Type	Item
Target Object	USER_RESP.RESPONSIBILITY_NAME
Property Name	VALUE
Value	Leave this field blank

7. For the second action (Seq = 20), enter the following values for the fields on the Actions Tab

Field	Value
Seq	20
Type	Message



Description:	Error message
Language:	American English
Enabled	Selected
Object Type	Error
Message Text	=amw_violation_pub.User_Resp_Violation_Details(:user_resp.user_id,:user_resp.responsibility_id)

#### b. Running the Populate Segregation of Duties Constraint Repository Concurrent Program

You need to run the Populate Segregation of Duties Constraint Repository concurrent program to enable preventative constraints. This concurrent program populates denormalized tables to improve the performance of preventive segregation of duties checks. To run this program, login as the Internal Controls Manager Super User (Forms) responsibility, and navigate to Setups, Concurrent Requests. Select the concurrent program name "Populate Segregation of Duties Constraint Repository". You should run this for each preventive constraint that has been set up. If the parameter is left empty, the program runs for *all* preventive constraints.

You need to rerun this concurrent program whenever:

- A preventive constraint is updated
- A responsibility-menu-function mapping is updated

Oracle recommends that you schedule this program to run at an appropriate frequency for your implementation.

### 5. Generate the Segregation of Duties Constraint Violations Report

To generate the Segregation of Duties Violations report, launch the concurrent program "Check Violation for Constraints" that checks for incompatible functions belonging to the same user.

Topic	Navigation Path
Launch check for segregation of duties constraint violations	Using the Internal Auditor (or equivalent) responsibility, navigate to the Segregation of Duties tab and then the Constraint Violations subtab.  Click the "Check for Violations" button

Note the following options when running this process:

- You can run the concurrent program to check for either all constraints, all constraints within a specific constraint set, or for from one to four specific constraints.

- You can set the program to repeat automatically on a predefined schedule. A recurring schedule enables the proactive monitoring and reporting of incompatible functions among users of your applications.
- You can send a notification to one or more individuals. The notification informs the user that the process was submitted along with the status of the submission.
- As the concurrent process "Check Violation for Constraints" can run for several minutes in a large installation, the application provides the ability to monitor the process within the Segregation of Duties, Requests subtab. You therefore do not need to use a System Administrator responsibility to view the status of these requests.

## 6. Review Segregation of Duties Violations

When the concurrent process completes, Oracle Internal Controls Manager provides a detailed roster of constraint violations. You can search for these violations by constraint name in the Segregation of Duties > Constraint Violations window.

[Home](#)
[Audit Operations](#)
[Segregation of Duties](#)
[Organizations](#)
[Risk Library](#)
[Setup](#)

[Constraint Violations](#)
[User Violations](#)
[Requests](#)
[Constraints](#)
[Import](#)

Segregation Of Duties Constraint Violations

Export Save Search

Simple Search

Please enter your search criteria and select the "Go" button to see the result. Note that the search is case insensitive.

Advanced Search Views

Constraint Name AP Go Clear

Check For Violations

Constraint Name	Request Id	Last Checked Time	Last Requested By	Num of Violating Users	Violation Status	Correction Requests	Report
<a href="#">AP Invoices</a>	5266377	21-Sep-2006 10:06:52	Bacajun, Stanford	74/74	Open		
<a href="#">AP Invoices</a>	2983188	16-Sep-2004 13:37:37	Frazier, Mr. Landon	52/52	Open		

Export Save Search

Two numbers appear in the Num of Violating Users column: the first number is the number of users that currently violate the constraint, the second number is the number of users that violated the constraint when the report was initially run. Click the Revalidate button to rerun the report and update the values.

For example, suppose a violation report is run for the constraint AP Invoices, and there are 317 violating users. Initially, the Num of Violating Users will show 317/317. Then many of these violations are fixed and the violation report is revalidated. After revalidation, only 23 users violate the constraint. The Num of Violating Users column will now show 23/317.

Violation Status: The following table provides details on this column.

Status	Details
Closed	If the number of violating users is zero
Invalid	If changes were made to the constraint since the last run of the Check Violations for Constraints program
Revalidated	If the violation report has been revalidated at least once
Open	If the number of violating users is greater than zero

You may drill down to find the details of each user violating this particular constraint along with a list of incompatible job functions held by that user. The Waived Users subtab lists all users who are either set up as exempt from violating the constraint or who are assigned to responsibilities that are set up as exempt.

Home | Audit Operations | Segregation of Duties | Organizations | Risk Library | Setup

**Constraint Violations** | User Violations | Requests | Constraints | Import

Segregation of Duties: Constraint Violations >

**Constraint Violation Details**

Constraint Name: **AP Invoices**      Violation Status: **Open**  
 Date Checked: **16-Sep-2004**      Violation Definition: **User possessing all functions**  
 Date Revalidated:      [Revalidate](#)    [View](#)    [PDF](#)    [Go](#)

**Responsibilities** | **Users** | **Waived Users** | **Correction Requests**

**Search**

User Name:  [Go](#)

Previous 1-10 Next 10

Details	User Name	Status	Employee Name	Manager Name
<a href="#">Show</a>	ABOASE	Open	Boase, Alex	Bart, Lou
<a href="#">Hide</a>	ALESSIA	Open	Bianchi, Alessia	Rossi, Valerio

**Violation Entries**

Type	Function	Submenu/Request Group	Responsibility	Access Given Date	Access Given By
	Invoice: Enter	Invoices: Maintain Subfunctions	Receivables Vision Italy (EUR)	06-Jan-1000	
	Invoice Approve	AP_APXINWKB_MENU	Payables Vision Italy (EUR)	06-Jan-1000	
	Pay Invoices	Receivables V2.0 Internal	Receivables Internal, Vision Italy	06-Jan-1000	

<a href="#">Show</a>	AMONTEIRO	Open	Ana Lucia Braga Monteiro, Ana	Renato Teixeira Mendes, Renato
<a href="#">Show</a>	BALLEN	Open	Allen, Bertie	Moore, Charlie
<a href="#">Show</a>	BELGIUM	Open	Mortier, Guy	
<a href="#">Show</a>	BETTINA	Open	Wagenhausen, Bettina	Heib, Christiane
<a href="#">Show</a>	BIRGIT	Open	Huber, Birgit	Graf, Joachim
<a href="#">Show</a>	BRUNO	Open	Caroline, Mr. Bruno	Mareuil, Mr. Vincent
<a href="#">Show</a>	CHASSLE	Open	Hassle, Chris	Allen, Bertie

User Violations: Note that you can also search for all constraints that a particular user is violating in the Segregation of Duties > User Violations window.

## 8. Generate Correction Requests and Fix Violations

Once a segregation of duties violation is discovered, you can initiate a Correction Request to correct the violation and therefore mitigate the risk from users having access to incompatible tasks in the organization. In our example, this will comprise the removal of either the Purchasing or Invoice functions from the responsibility of users who have access to both.

Correction Requests may be viewed primarily as a platform where the request for corrective action is initiated and tracked. The initiation of such a request does not automatically remove access to responsibilities and functions from violating users. Ultimately a system administrator (or person with an equivalent responsibility) must modify the responsibilities of those users so that no individual has access to conflicting functions and responsibilities.

Note that Correction Requests can be assigned to a particular user and then tracked in the application.

**Note:** For more information on setting up Correction Requests, refer to Correction Requests in Oracle Internal Controls Manager, page 12-19.

### Step 1: Create the Request

Topic	Navigation Path
Create a correction request	<p>Using the Internal Auditor (or equivalent) responsibility, click the Segregation of Duties tab and then the Constraint Violations subtab. The window shows a detailed listing of violations.</p> <p>Click the Correction Requests icon for a particular constraint violation and then the Create button OR</p> <p>Drilldown into a violation, click the Correction Requests hyperlink and then the Create button</p>

Home | Audit Operations | **Segregation of Duties** | Organizations | Risk Library | Setup

**Constraint Violations** | User Violations | Requests | Constraints | Import

Segregation of Duties: Constraint Violations > Constraint Violation Details >

**Create Correction Request**

\* Indicates required field

Correction Request Type: **DutyViolat** \* Correction Request Number: Violation2

\* Correction Request Name: Initiate Changes for AP Invoices violations

Description: Please remove access to the AP Invoices creation function for the following users:  
Alex Boase  
Bertie Allen

Priority: High Need By Date: (example: 22-Oct-2006 19:45:00)

Reason: Fraud

**Subject**

Constraint Name: AP Invoices

\* Assigned To: Landon Frazier Requestor: Landon Frazier

**Dependencies** | Workflow Approval | Attachments

Add Dependency [v] Go

Type	Object	Number	Name	Status	Need By Date	Created On
No results found.						

The following table provides further information on select fields used in the Create Correction Requests window.

Field	Details
Correction Request Number / Name	User defined number and name to identify and track the request to correct the constraint violation
Priority	User defined Priority rating - Seeded using Issues Management functionality (See Chapter 12)
Reason	User defined Reason - Seeded using Issues Management functionality (See Chapter 12)

**Note:** You can also attach documents to the correction request for further clarification.

Correction Request Report: Instead of choosing to create a Correction Request (using the Create button), you can create an ad hoc report for details on the correction request.

Topic	Navigation Path
Create a Correction Request Report	Using the Internal Auditor (or equivalent) responsibility, click the Segregation of Duties tab and then the Constraint Violations subtab. The window shows a detailed listing of violations. Click the Correction Requests icon for a particular constraint violation and then the View Reports button.  Finally, click the Create Reports button.

Note that before you can view the report, Oracle Internal Controls Manager requires you to choose "Report Criteria" and a "Results Format" for the production of the report.

The criteria and results are based on fields like Request Number, Assigned To, Created By, Requested By, Creation Date, Need By Date, etc. Results are displayed in four sections:

- People
- Attachments
- Approval
- Action Log

## Step 2: Track the Request

Topic	Navigation Path
Track the correction request	Using the Internal Auditor (or equivalent) responsibility, click the Segregation of Duties tab and then the Constraint Violations subtab. The window shows a detailed listing of violations.  Click the Correction Requests icon and then drilldown into the relevant request (by clicking on the request number).

The Correction Requests Summary window acts as a bulletin board where you can view details of the request as well as changes in status over time.

There are several possible actions that you can take like Change priority, Post Comments, Cancel, Promote, Put on Hold, Re-assign, Update corrections and Request Comments. Oracle Internal Controls Manager maintains an exhaustive history of the correction request in this window.

Note that inter conflicts exist when there is a violation within a responsibility definition itself. The Segregation of Duties Violation report includes a list of responsibilities that violate a constraint. By fixing the responsibility violations first, many user violations can be eliminated. Therefore, the recommended procedure is to first fix any responsibility violations, then revalidate the report, then fix the user violations.





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## Process and Organization Certification

This chapter covers the following topics:

- Introduction
- Overview of Process / Organization Certification
- Corporate Processes vs. Organization (Local) Processes
- Implementing Process / Org Certification in Oracle Internal Controls Manager
- Process / Org Certification: Global Operations Controller
- Process / Org Certification: Business Process Owner
- Certification Notes
- Creating and Resolving Issues in Certification

### Introduction

Corporate management systems typically imply the existence of processes that are employed to implement the objectives of management. For these management systems to be effective, it is critical that the business processes supporting them are regarded as reliable.

In addition, the implications of complying with legislation like the Sarbanes-Oxley Act in the USA, provides further impetus to ascertaining the adequacy of internal controls in the execution of business processes. Audited business processes are a critical factor in the overall monitoring scheme of a firm. The issuance of certification attests to the process and/or organization being in compliance with standards as required by compliance legislation.

This chapter provides all the information you need to know to certify your business processes and organizations (orgs) using Oracle Internal Controls Manager.

## Overview of Process / Organization Certification

The COSO body defines the internal control system itself as a "process." It is imperative that the process based nature of internal controls be recognized and incorporated into audits of the control system. Companies therefore need to establish an ongoing monitoring of business processes while evaluating and improving their effectiveness.

One way of accomplishing this objective is through the periodic certification of processes and organizations in the enterprise. Certification requires process owners to provide assurance that their organization's processes are in compliance with the standard(s) utilized as the basis of its management system. It includes a series of rigorous audits and other activities to provide assurance that the organization's management system is adequate and effective.

Successful completion of an audit and any related follow-up activities which may be required results in the process being "certified." The certification attests to the process meeting the requirements of the applicable standard.

External auditors seek objective evidence of such a system being established and effectively implemented before they can attest to the accuracy of financial statements. Certified business processes also provide comfort to CFOs, CEOs, and audit committees as they attest to the adequacy of internal controls and the accuracy of financial results.

### Ongoing requirement

As a certification is considered valid for a particular time frame, processes must still be audited on a periodic basis to ensure that they continue to remain effective. This requirement leading to continual re-certification lends credibility to the entire corporate management and control system. Depending on the requirements, re-certification is typically conducted at intervals of three months for the significant processes and greater for less important ones.

### Input from the Audit Engagement

Though some processes are audited infrequently or not at all, the majority of significant business processes in the entity are subject to a periodic audit. As noted in an earlier chapter, the audit engagement represents a compilation of audit assignments for the entity and is typically associated with the audit of a process. The audit engagement gathers evidence indicating whether the process is fully functional and meets the requirements of applicable standard(s).

Major nonconformities can be identified during the audit and in such cases a certification cannot be issued until these are effectively addressed and remedied. At a minimum, these "findings" must be taken into account prior to certification. Post audit "issues" that arise during the actual certification must also be recorded. The Auditor can make a recommendation for certification upon closure of all identified nonconformities i.e. Findings and Issues.

**Note:** For more information, refer to Creating and Resolving Issues in Certification, page 10-24.

The results from an audit of the process (through an audit engagement) provide an independent perspective to process owners and serve as an aid to certification.

## Input from Assessments

Process owners are also expected to utilize their day-to-day working knowledge of processes to certify them. To this end, they can conduct Assessments of their processes and organizations with respect to the organizations internal control structure and compliance.

The results of the Assessment provides further evidence indicating whether the process meets the requirements of applicable standard(s) and can be certified.

## Process Certifications and Financial Statements

Process certification in Oracle Internal Controls Manager "flows" into a signing officer's view on line items in financial statements. The signing officer can drilldown into the process that supports a particular financial line item. The audit evaluation along with process certifications provides two independent views of those processes and aids in the certifying of financial statements.

## Corporate Processes vs. Organization (Local) Processes

In addition to the processes executed in the organizations (auditable units) of your firm, Oracle Internal Controls Manager also allows you to create "Corporate" processes.

Corporate processes have a global orientation and can be thought of as being executed by a central governing body across all organizations in the enterprise. As opposed to corporate processes, regular organization (local) processes are processes executed within a specific organization in the enterprise. Local processes include standard processes as well as their variants in the organization.

**Note:** For more information on variant processes, refer to Process Variation Management, page 3-14.

Corporate processes include both of the following:

- Consolidation of core processes in various organizations such as order-to-cash under enterprise level managers.

Consider the following example to understand the functionality of such a corporate process in Oracle Internal Controls Manager. Assume a corporate process "Order-to-cash" is created in the enterprise. As noted above, this process is

considered to be a consolidation of the order-to-cash processes in the various organizations of the enterprise.

By drilling into this process, Oracle Internal Controls Manager displays a detailed listing of all the local processes (having the same name as the corporate process) in all organizations. It is important to note that the list includes all standard "Order-to-cash" processes as well as their variants.

You can therefore obtain a comprehensive and consolidated view of this process across the enterprise and use that input in the certification of the corporate process.

- Processes executed solely for the benefit of the enterprise and not any specific organization. Oracle Internal Controls Manager does not provide any specific functionality for these types of corporate processes and they display the functionality of a regular process.

## To create a corporate process

Corporate processes are enabled in the application by the creation of an organization representing the enterprise that executes these processes i.e. to create a corporate process, you first need to create a corporate organization.

The corporate organization is an organization (auditable unit) in Oracle Internal Controls Manager that is seeded in the profile option AMW: Headquarters. This global org should also be the root org of the organization hierarchy.

**Note:** For more information on creating organizations in Oracle Internal Controls Manager, see Organizations in Oracle Internal Controls Manager.

Any process that is attached to a corporate organization is by definition a corporate process. The corporate process has all the attributes of a regular process including a designated owner. Hence, if corporate processes are present and executed by the enterprise, they are automatically included in the scope of process certifications as well. The corporate process will be listed in certification windows along with other processes that belong to the designated process owner.

**Note:** You can easily distinguish a corporate process in Oracle Internal Controls Manager certification windows by its globe icon.

## Implementing Process / Org Certification in Oracle Internal Controls Manager

Oracle Internal Controls Manager is pre-seeded with two responsibilities that are used to implement process certifications, the Global Operations Controller and the Business

Process Owner.

The application distinguishes between the two as follows:

- The Global Operations Controller creates process certification requests. These requests are sent out in the form of notifications to process owners to do what is necessary to certify their business processes. This responsibility is analogous to a process super user and has the ability to view and update the certification statuses of all processes in the enterprise.
- The individual logged in as a Business Process Owner can view only those processes that they own (along with associated sub processes) as well as processes within organizations that list them as the organization owner.

**Note:** For more information, refer to Roles and Privileges, page 15-1 and Function Security, page 16-1 in Oracle Internal Controls Manager.

Process owners can certify these processes thereby indicating their satisfaction with the adequacy and effectiveness of their internal controls. Certification takes the form of "Certified" or "Certified with Issues." This nomenclature can be changed using the Opinions framework.

**Note:** For detailed information on the Opinions framework, refer to Opinions Framework in Oracle Internal Controls Manager, page 8-37.

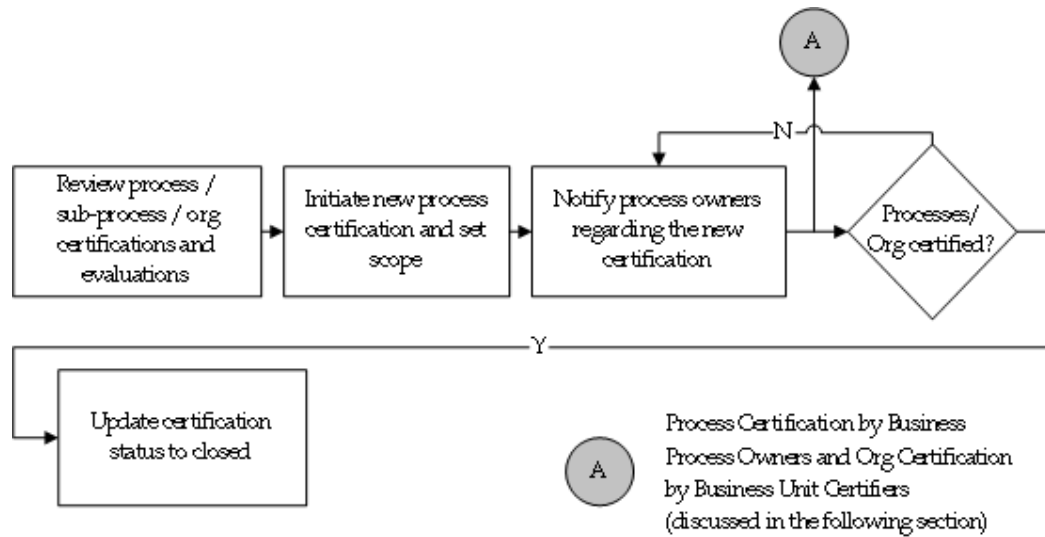
As noted in an earlier section, audit evaluations from engagements that have audited a process serve as one of the inputs used by process owners in the evaluation of that process.

Both Global Operations Controllers and Process Owners have access to the audit evaluation of processes. The following audit engagement results can be used by business process owners:

1. Unmitigated risks
2. Ineffective controls
3. Findings

## Process / Org Certification: Global Operations Controller

The following diagram shows a high level view of the tasks performed by a Global Operations Controller to certify the firm's business processes:



## 1. Review Certifications and their Current Evaluations

The Global Operations Controller responsibility provides a high level view of the certification effort in all processes and in all organizations in the enterprise. Before initiating any new reviews, review the current status of process compliance as shown below.

Topic	Navigation Path	Oracle Internal Controls Manager Window
Global Operations Controller view of process certification	Using the Global Operations Controller responsibility, click the Business Process tab and then the Certifications subtab	Certifications

<div> <a href="#">Home</a> <a href="#">Business Processes</a> <a href="#">Segregation of Duties</a> <a href="#">Organizations</a> <a href="#">Risk Library</a> <a href="#">Setup</a> </div>									
<a href="#">Certifications</a>   <a href="#">Assessments</a>   <a href="#">Remediation</a>   <a href="#">Findings</a>   <a href="#">Issues</a>									
<b>Certifications</b>									
Views									
<div> <div>View <span>All</span> <span>Go</span> <span>Personalize</span></div> <div>Simple Search</div> </div>									
Create									
Certification Name	Certification Type	Certification Owner	Quarter	Year	Certification Status	Creation Date	Target Completion Date	Organizations Pending Process Certification	Organizations Pending Certification
<a href="#">Q5 Business Process Certification</a>	SOX 404	Frazier, Mr. Landon	Q4	2005	Draft	21-Mar-2005	31-Mar-2005	7 / 13	10 / 13
<a href="#">Q2-05 ICM-2</a>	SOX 302	Frazier, Mr. Landon	Q2	2005	Draft	15-Mar-2005	15-Mar-2005	0 / 13	11 / 13
<a href="#">Q2-05 Vision Certification</a>	SOX 302	Frazier, Mr. Landon	Q2	2005	Draft	09-Mar-2005	31-Mar-2005	6 / 19	16 / 19
<a href="#">Q1 2005 Certification</a>	SOX 404	Frazier, Mr. Landon	Q1	2005	Draft	13-Feb-2005	01-May-2005	2 / 3	2 / 3
<a href="#">Q4 2004 Certification</a>	SOX 404	Frazier, Mr. Landon	Q4	2004	Active	13-Dec-2004	31-Dec-2004	3 / 8	8 / 8
<a href="#">Q1 2004 Certification</a>	SOX 302	Frazier, Mr. Landon	Q1	2004	Active	09-Dec-2004	31-Dec-2004	1 / 9	9 / 9

This window lists all certifications that have been initiated in the enterprise. A certification is a container, analogous to an engagement, and represents a compilation of processes undergoing certification. You can drill into a certification (by clicking on the certification hyperlink) to view the processes under it.

A process certification includes a set of processes as determined by its scope. However, an individual other than the Global Operations Controller, will be able to view only those processes (and associated sub processes):

- that list them as the designated process owner
- within organizations that lists them as the organization owner

The "Organizations Pending Process Certification" column reflects the number of organizations in the enterprise that have at least one "first level" process being executed in them that is uncertified. First level processes are the processes immediately under the "All Processes" node.

In the following example, P1, P2, and P3 are first level processes. Assume that Process P1 and Process P2 are being executed in Organizations A and B and Process P3 is being executed in Organization C. Further, P1 and P2 are certified in Organization A while P2 is uncertified in Organization B. P3 in Org C is also uncertified.

Organization	Processes in the Org	Certified
A	P1, P2	P1, P2
B	P1, P2	P1

Organization	Processes in the Org	Certified
C	P3	None

For the scenario described above, the Organizations Pending Process Certification column displays "2/3" as both Organizations B and C have at least one first level process in them that is uncertified.

The "Organizations Pending Certification" column reflects the number of organizations in the enterprise that are uncertified. For example 1/3 in this case reflects 3 orgs in scope of which 1 is uncertified.

**Note:** The profile option setting "AMW: Display option for evaluation and certification numbers" is not valid for these two columns - Organizations pending process certification and Organizations pendings certification.

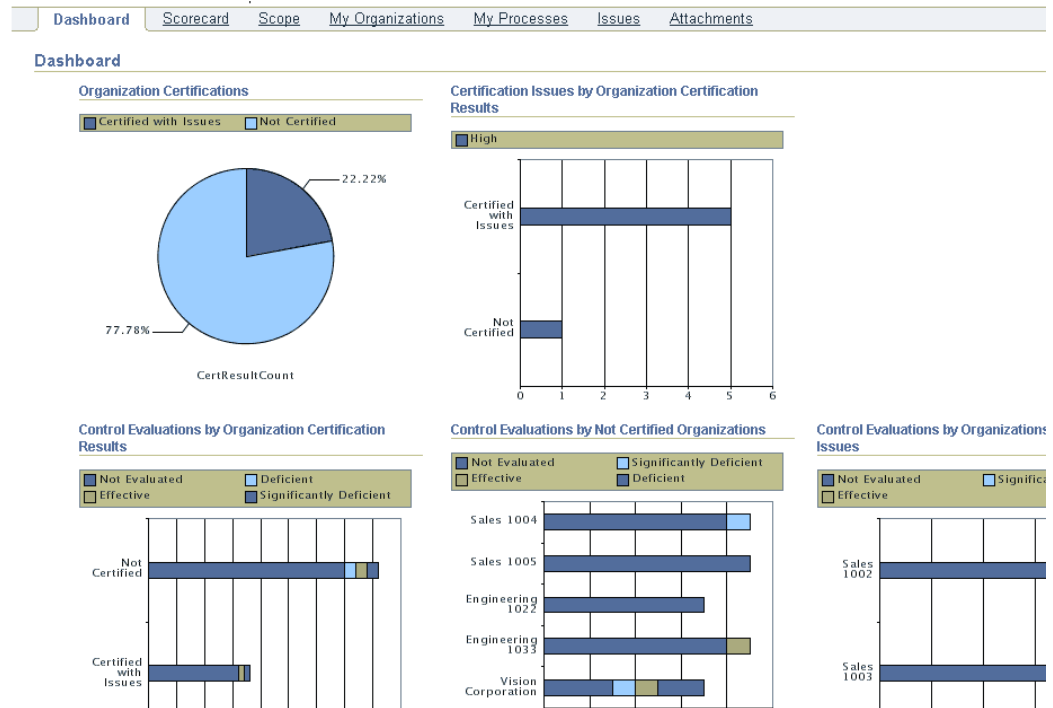
For more information on this profile option, refer to the Certification Notes, page 10-23 later in this chapter.

Click on a certifications hyperlink to view the following:

## Dashboard

The Dashboard tab view is restricted to those logging in with Global Operations Controllers responsibility and provides a summary view of audit evaluation results and certifications across all organizations in the enterprise.





The Dashboard has seven sections as follows:

- Organization Certifications
- Certification Issues by Organization Certification Results
- Control Evaluations by Organization Certification Results
- Control Evaluations by Not Certified Organizations
- Control Evaluations by Organizations Certified with Issues
- Open Findings - Top 5 Organizations
- Open Remediations - Top 5 Organizations

## Scorecard

This window also displays a comprehensive view of the state of the certification to Global Operation Controllers in three sections as follows:

- Changes to Processes in Scope (since the beginning of the certification period)  
Displays a summary view of any additions in risks or mitigating controls (for the processes in scope) that have been created in the enterprise since the start of the certification period.

- Corporate Processes and Organizations Processes

Lists the number of processes that are uncertified or certified with issues in the enterprise.

**Note:** For more details, see Corporate Processes vs. Organization (Local) Processes.

- Audit Evaluation

Displays the number of processes (Corporate and Organization) with "Ineffective Controls" and "Unmitigated Risks." These numbers are from the most recent evaluations of the respective processes across audit engagements.

## Scope

Displays a list of all entities in the scope of the current certification. You can now view the certification scope through a hierarchical filter. Three hierarchy views are available:

1. Custom Hierarchy. This is the hierarchy of organizations as defined in the Oracle HR module and entered in the "AMW: Org Security Hierarchy" profile option.
2. Legal Hierarchy. This is the hierarchy of subsidiaries (companies) in the Subsidiary Value Set. The value set name must be entered in the "AMW: Subsidiary Value Set for Audit Units" profile option.
3. Management Hierarchy. This is the hierarchy of LOB's in the LOB Value Set. The value set name must be entered in the "AMW: LOB Value set for Audit Units" profile option.

**Internal Controls Manager**

Home Business Processes Segregation of Duties Organizations

Certifications Assessments Remediation Findings Issues

Business Processes: Certifications >

**Certification: Q1 2004 Certification**

Update

Name **Q1 2004 Certification** Owner **Frazier, Mr. Landon**

Type **SOX 302** Target Completion Date **28-Feb-2005**





Quarter **Q1** Year **2004**

Auto Reminder (In Days) Description **Certification for Q1 2004** Status **Active**

Dashboard Scorecard **Scope** My Organizations My Processes Issues Attachments

View Legal Hierarchy Add to Scope Add Organizations

Expand All Collapse All

Focus	Organization	Type	Location	Manage Included Processes	Remove
⊕	Root Node				
⊕	US Operations				
	Vision Corporation	Corporate Headquarters	HR- New York	 	
	Engineering 1022	Cost Centre	V1- New York City	 	
	Engineering 1033	Cost Centre	V1- New York City	 	
	Sales 1002	Cost Centre	V1- New York City	 	
	Sales 1003	Cost Centre	V1- New York City	 	
⊕	Canada Operations				

**Note:** For detailed information on creating certification scope, refer to Set the Scope of the Certification, page 10-16.

## My Organizations

This window provides a comprehensive "dashboard" view of all organizations along with their associated evaluations and certifications in the enterprise. As noted earlier, the Global Operations Controller views all organizations in the enterprise while others view only the organizations and LOBs according to their roles and privileges.

**Note:** For more details on access rights in the application, refer to Roles and Privileges, page 15-1 and Function Security, page 16-1 in Oracle Internal Controls Manager.

You may drill into an organization to get a detailed view of the processes (along with associated risks and controls) being executed in that organization.

<div> <div>Internal Controls Manager</div> <div> Home Business Processes Segregation of Duties Organizations </div> </div> <div> Certifications Assessments Remediation Findings Issues </div> <div>Business Processes: Certifications &gt;</div> <div>Certification: Q1 2004 Certification</div> <div> <div> <div>Name</div> <div>Q1 2004 Certification</div> </div> <div> <div>Type</div> <div>SOX 302</div> </div> <div> <div>Quarter</div> <div>Q1</div> </div> <div> <div>Auto Reminder (In Days)</div> <div></div> </div> </div> <div> <div>Owner</div> <div>Frazier, Mr. Landon</div> </div> <div> <div>Target Completion Date</div> <div>28-Feb-2005</div> </div> <div> <div>Year</div> <div>2004</div> </div> <div> <div>Status</div> <div>Active</div> </div> <div>Update</div>
---

Description

Certification for Q1 2004

The following sections provide detailed information on the columns in this window:

**Note:** For more information on the icons associated with these columns, refer to Certification Notes, page 10-23 and the Opinions Framework in Oracle Internal Controls Manager, page 8-37.

Certification Result: Tied to the "opinions framework" in Oracle Internal Controls Manager. The application is pre-seeded with the following values:

- Certified
- Certified with Issues. Note that "Certified with Issues" counts as a certified entry in computing the fraction for the "Organizations Pending Certification" column in the main certification subtab view.

**Note:** For more information on seeding certification values, refer to the Opinions Framework in Oracle Internal Controls Manager, page 8-37. The relevant object in this case is the Organization object that is a "certification."

The Global Operations Controller can override any certification by clicking the "certify" icon and entering a certification result.

Audit Evaluations: These column values are critical to the certification:

- Last Evaluation Result

- Ineffective Processes
- Unmitigated Risks
- Ineffective Controls

are from the most recent evaluation of this organization as conducted through an audit engagement. This evaluation is typically done by the firm's internal audit staff and provides authoritative support to the certification made by the organization owner.

Clicking on the Last Evaluation Result icon, takes you to the details of that evaluation.

Ineffective Processes corresponds to the total of all processes within the organization that were evaluated as having an evaluation other than one tied to the "Effective" opinion.

Unmitigated Risks and Ineffective Controls numbers are from the most recent evaluation of the processes and orgs in the certification. Unmitigated Risks corresponds to the total of all risks associated with these process and orgs that were evaluated as having a risk tied to an opinion other than the "Mitigated" opinion. Ineffective Controls corresponds to the total of all controls associated with these processes and orgs that were evaluated as having a control other than one tied to the "Effective" opinion.

You may click on any of these values to drill down to the details of the process, risk or control.

**Note:** For more information on the mitigated and effective opinions, refer to Opinions Framework in Oracle Internal Controls Manager, page 8-37.

Open Findings: The "Findings" that are associated with this organization as well as the processes (and associated risks and controls) in the organization. All Findings logged during the audit engagements that encompass this organization will be displayed.

**Note:** For more information, refer to Findings in Oracle Internal Controls Manager, page 12-1.

Open Issues: The "Issues" that are associated with this process. Issues are similar to Findings and are made in the context of certifying processes. They are logged during process certification by the process owner. Based on their nature and scope, processes with outstanding issues can be certified as "Certified with Issues."

The global operations controller can override any certification by clicking the "certify" icon and entering a certification result.

**Note:** Also refer to Certification Notes, page 10-23.

## My Processes

This window provides a comprehensive "dashboard" view of all processes in the scope of the certification along with their associated evaluations and certifications. As noted earlier, the Global Operations Controller views all processes in all organizations while others view only the processes they own or processes within organizations that list them as the organization owner.

If the process is a corporate process (distinguished by a globe icon), you may drill into it in this window. Oracle Internal Controls Manager then displays a detailed listing of all the local processes (having the same name as the corporate process) in all organizations.

Home
Business Processes
Segregation of Duties
Organizations
Risk Library
Setup

Certifications
Assessments
Remediation
Findings
Issues

Business Processes: Certifications >

Certification: Q1 2004 Certification

Name: Q1 2004 Certification
Type: SOX 302
Quarter: Q1
Auto Reminder (In Days):
Description: Certification for Q1 2004

Owner: Frazier, Mr. Landon
Target Completion Date: 31-Dec-2004
Year: 2004
Status: Active

Update

Dashboard
Scorecard
Scope
My Organizations
My Processes
Issues
Attachments


View: Process List

Search

Process:
Audit Evaluation: Effective
Organization:
Certification Result:
Go

Select Processes: Send Reminders Remove Assessment

Select All | Select None

Select	Name	Organization	Sub Processes	Org Processes	Certification Result	Last Evaluation	Evaluation History	Unmitigated Risks	Ineffective Controls	Open Findings	Open Issues	Assessment
<input type="checkbox"/>	Order to Pay	Vision Computers	0%						10%	0	0	Enh Internal Env.
<input type="checkbox"/>	ICM_1	Vision Computers	0%						10%	0	0	

The following sections provide detailed information on the columns in this window:

**Sub-processes:** Valid for parent processes. The ratio of the number of sub-processes certified to the total number of sub-processes under this parent. You can click on the hyperlink to drill down to the evaluation and certification details of the sub-processes.

**Org processes:** Valid in parent organizations. The ratio of the number of child organizations where the process (or a variant) has been certified to the total number of organizations under the parent.

**Certification Result:** Tied to the "opinions framework" in Oracle Internal Controls Manager. The application is pre-seeded with the following values:

- Certified
- Certified with Issues

**Note:** For more information on seeding certification values, refer to the

Opinions Framework in Oracle Internal Controls Manager, page 8-37.  
The relevant object in this case is the Organization Process object that is a "certification" (not the object that is an "evaluation").

Note that "Certified with Issues" counts as a certified entry in computing the fraction in the Sub-Processes column while processes with no certification result count as "Not Certified."

Audit Evaluations: The three columns are critical to the certification:

- Last Evaluation Result
- Unmitigated Risks
- Ineffective Controls

are from the most recent evaluation of this process as conducted through an audit engagement. This evaluation is typically done by the firm's internal audit staff and provides authoritative support to the certification made by the process owner.

Clicking on the Last Evaluation result icon, takes you to the details of the evaluation. Clicking the History icon immediately next to the Last Evaluation Result, takes you to the Process Evaluation History window where you can view the history and results of all audit engagements where this process was evaluated in the past.

Unmitigated Risks and Ineffective Controls numbers are from the most recent evaluation of the process. Unmitigated Risks corresponds to the total of all risks associated with this process that were evaluated as having a risk tied to an opinion other than the "Mitigated" opinion. Ineffective Controls corresponds to the total of all controls associated with this processes that were evaluated as having a control other than one tied to the "Effective" opinion.

You may click on either of these to drill down to the details of the risk or control.

**Note:** For more information on the mitigated and effective opinions, refer to Opinions Framework in Oracle Internal Controls Manager, page 8-37.

The Certification and Evaluation Results can be accompanied by icons. The AMW: Display option for evaluation and certification profile option specifies whether you want the evaluation and certification columns to be image, text, or both.

Open Findings: The "Findings" that are associated with this process. All Findings logged during the audit engagements that encompass this process will be displayed.

**Note:** For more information, refer to Findings in Oracle Internal Controls Manager, page 12-1.

Open Issues: The "Issues" that are associated with this process. Issues are similar to Findings and are made in the context of certifying processes. They are logged during process certification by the process owner. Based on their nature and scope, processes with outstanding issues can be certified as "Certified with Issues."

The global operations controller can override any certification by clicking the "certify" icon and entering a certification result.

Assessments: You can create Assessments of processes with respect to process control structure and compliance that can be linked to the process being certified. Only assessments created with context that matches the organization and process in the certification would be available for association.

**Note:** Also refer to Certification Notes, page 10-23 at the end of this section.

## 2. Create a Certification and Set its Scope

A certification is a container and represents a compilation of processes undergoing certification. This certificate may be thought of as a high level node with all of the firm's processes under it.

Topic	Navigation Path
Global Operations Controller view of process certification	Using the Global Operations Controller responsibility, click the Business Process tab.  In the Certifications subtab window, click the Create button.

The following table provides further information on select fields in the Create Certification window.



Field	Details	Seeded Values	Lookup Type	Accessibility Level
Auto Reminder (in Days)	<p>To send an automatic notification once every entered number of days to all process owners who have processes that are not yet certified.</p> <p>The notification lists the uncertified processes in both the application welcome window as well as e-mail (if the latter is configured to receive notifications)</p>	NA	NA	NA
Certification Owner	<p>The individual responsible for this certification.</p> <p>Certification owners typically have global operations controller access to follow through with organizations pending certification.</p>	NA	NA	NA
Type	<p>Process certification geared towards 302 or 404 compliance.</p>	<p>SOX 302</p> <p>SOX 404</p>	NA	System

Field	Details	Seeded Values	Lookup Type	Accessibility Level
Certification Period	<p>The LOV lists the accounting periods from Oracle General Ledger.</p> <p>The calendar that these periods are taken from is based on the profile option AMW: Default Calendar. Periods for certification purposes in Oracle Internal Controls Manager are based on the calendar entered for this profile setting.</p>	According to the Oracle General Ledger calendar.	NA	NA

All certifications are created in "Draft" status. Before process owners can be notified or processes certified, the status of the certification must be changed to "Active." To do this click the Update button in the Certification Details window (Business Processes tab > Certifications subtab > Drill into the details of the certification).

The following table lists the details of status values in the Update Certification Status window.

Status	Details
Draft	All certifications are created in Draft status

Status	Details
Active	<p>In order to certify processes and send notifications, certifications must be in Active status.</p> <p>Also, the concurrent programs that summarize and update certification data, only work on processes within "Active" certifications.</p>
Completed	Certification is assumed complete. The concurrent program will not work on processes within "Completed" certifications.
Rejected	Process certification terminated by the user.
Archived	Certificate is ready for archiving.

### Set the Scope of the Certification

After creating the process certification, your next task is to define its scope. The scope determines which entities and processes are included in the certification and therefore defines boundaries to the certification context. Once this is resolved, the Global Operations Controller can initiate launching notifications to process owners to certify their processes.

**Note:** Setting the scope for a certification is exactly the same as that for an Audit Engagement. For detailed information refer to Set the Scope of the Audit Engagement, page 8-17.

Note that in the "Create Certification" window, the application gives you the option to include all processes and orgs into the scope of the certification.

### 3. Send Notifications to Business Process Owners

As a global operations controller, there are two ways you can initiate notifications to certify/re-certify processes in Oracle Internal Controls Manager:

1. Run the concurrent program Process Certifications Reminder. This program sends notifications to all process owners in all organizations regarding processes they own that are not yet certified in the current certification period. The notification is sent based on the setting of the Auto Reminder field that is entered when the certification is created.

2. In the My Processes view, you can choose to send individual reminders to process owners. Select individual processes and then click the Send Reminders button to send a notification to those process owners.

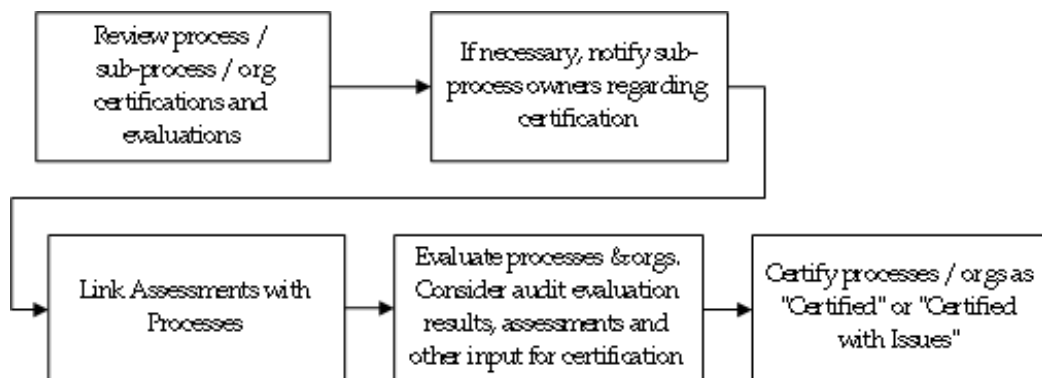
If a process involved in certification does not have an owner, then notifications to certify the process cannot be sent. The global operations controller can certify these processes as appropriate. Note that the result "Certified with Issues" is considered a certification by the application and process owners with processes labelled as such will not receive further notifications.

#### 4. Update Certification Status

In the final step, once certification by process owners is complete, the Global Operations Controller performs a general review and then completes the certification (created in Step 2 above) by updating its status to "Completed." If a certification is listed as "Completed" its processes are excluded from further notifications and computations.

### Process / Org Certification: Business Process Owner

The following diagram shows a high level view of the tasks performed by a process owner towards certifying the firm's business processes and organizations. By providing a consolidated view of the relevant process with the ability to drill down into sub-processes, you have the information necessary to make an informed decision regarding certification.



These tasks are listed below.

#### Review Process and Org Certifications and Evaluations

As noted earlier, business process owners can only view the details of processes that they own (along with associated sub-processes) or processes within organizations that list them as the organization owner. Oracle Internal Controls Manager provides a consolidated dashboard view of these processes and their certification status. Process owners of higher-level processes can drill down to review the details and certification

status of associated sub-processes.

## Notify Sub-Process Owners

This notification regarding certification is performed as needed. You may only notify the owners of sub-processes under the processes you own.

## Link Assessments with Processes (Optional)

Topic	Navigation Path
Use of Assessments in Process Certification	Using the Business Process Owner (or equivalent) responsibility, click the Business Process tab and then the Certifications subtab.  Drill into a Certification to access the My Processes subtab (Assessments column)

**Certification: Q1 2004 Certification**

Name	Q1 2004 Certification	Owner	Frazier, Mr. Landon
Type	SOX 302	Target Completion Date	28-Feb-2005
Quarter	Q1	Year	2004
Auto Reminder (In Days)		Status	Active
Description	Certification for Q1 2004		

**My Processes** | Issues | Attachments

View:

**Search**

Process:  Audit Evaluation:  Organization:  Certification Result:

**Select Processes:**

Select All | Select None

Select	Name	Organization	Sub Processes	Org Processes	Certification Result	Last Evaluation	Evaluation History	Unmitigated Risks	Ineffective Controls	Open Findings	Open Issues	Assessment	Certi
<input type="checkbox"/>	Sales Order Management 1022	Engineering	0%					25%		0	0		
<input type="checkbox"/>	Sales Order Management 1033	Engineering	0%							0	0		

To aid in the certification, Business Process Owners can tie in and view the results of a process assessment. Assessment results can be used along with data on unmitigated risks, ineffective controls, and open findings/issues to determine whether the process can be certified.

By clicking on the Assessments link, process owners can:

- Link a previously completed Assessment or
- Create and link a new Assessment

**Note:** For detailed information on the setup and implementation of Assessments, refer to Assessments in Oracle Internal Controls Manager, page 7-1.

Note that the Assessment is executed independently from the certification. However, the results of the Assessment can be used to substantiate and provide credibility to the certification. You can only associate one Assessment per process in a given certification.

## Evaluate Processes and Orgs

Evaluate your processes and orgs using audit evaluation results, assessments, findings and other inputs. If necessary you can log issues that must be resolved. The results of the most recent audit evaluation can be seen in the My Processes tab of the Certifications window.

## Certify Processes and Orgs

Once your evaluation is complete, click the Certify icon to certify your process (My Processes subtab). The status of the encompassing certification must be "Active." To enter a certification for an organization (My Organizations subtab), you must be logged in using the responsibility "Business Unit Certifier" or "Global Operations Controller."

Note that a process owner may certify/override the certification of any and all sub-processes. In lieu of certifying a process, you can log additional issues by clicking the Open Issues icon.

The following table provides further information on select fields in the Certify Process window / Certify Organizations window.

Field	Seeded Values	Source	Accessibility Level
(Certification Result) Conclusion	Certified	Opinions Framework component for the Organization - Process object (Certification Result component)	Refer to the section: Opinions Framework in Oracle Internal Controls Manager, page 8-37
	Certified with Issues		
(Certification Result) Conclusion	Certified	Opinions Framework component for the Organization (Certification Result component)	Refer to the section: Opinions Framework in Oracle Internal Controls Manager, page 8-37
	Certified with Issues		

**Note:** For more information on seeding certification values, refer to the Opinions Framework in Oracle Internal Controls Manager, page 8-37.

The details of the tasks mentioned above mirrors those described in the section Process / Org Certification: Global Operations Controller with the following exceptions:

- Drilling into a certification will only display those processes that are owned by the process owner or processes within organizations that list them as the org owner.
- While process owners can and must certify their processes, they do not have the ability to update the status of the overall certification (the container that represents a compilation of all processes undergoing certification).
- Business Process Owners cannot view the Dashboard and Scorecard tabs to obtain a summary view of the audit and certification status across all organizations in the enterprise.

## Certification Notes

### Profile AMW: Display option for evaluation and certification numbers

The numbers in the windows (for ineffective orgs, processes, etc.) are displayed according to the profile option "AMW: Display option for evaluation and certification numbers." Choose from the profile option values seeded as follows:

- Ineffective (Unmitigated)
- Ineffective (Unmitigated) / Total Evaluated
- Ineffective (Unmitigated) / Total
- Ineffective (Unmitigated) / Total Evaluated / Total
- Percent of ineffective over total (Default value)

(Ineffective refers to Organizations, Processes and Controls, Unmitigated refers to Risks)

### AMW: Display option for evaluation and certification

This profile option specifies whether you want the evaluation and certification columns to be image, text, or both.

## Business Event Processing

Whenever evaluation, certification, and exception data is created or updated in Oracle Internal Controls Manager, that entry raises a business event. Behind the scenes, multiple event subscribers take note of the change and update the source values for the application's engagement and certification views. The numbers hence reflect the latest data and state of the module.

In case of problems with event processing, the concurrent program "Populate Process Certification Summary" can be run to update the numbers. This program summarizes process data and audit evaluation results and then updates the relevant tables in the application.

Note that the application pages display in a disconnected http mode. Hence though the numbers are updated nearly instantaneously in the database tables through event processing, the screen must be refreshed or the page revisited for the changes to display.

## Note on Threshold values

The fractional values in columns like Sub-processes and Org Processes are accompanied by an icon. This icon is based on the limits listed below:

Threshold Value	Image
0 - 10	Checkmark icon (green)
11 - 30	Warning icon 1
31 - 80	Warning icon 2
81 - 100	Critical indicator icon (red)

As an example, assume the fraction in the Sub-Processes column is "99/100" i.e. this is the ratio of the number of sub-processes certified to the total number of sub-processes under this parent. This translates into a 1/100 uncertified value equivalent to 1% and falls under the limits of "0 - 10." The icon next to the fraction is therefore a green checkmark. By providing these color indicators of auditor evaluations, the application provides an easy to read dashboard view of the results of process evaluations and certifications in the enterprise.

## Creating and Resolving Issues in Certification

Issues are similar to Findings and are made in the context of certifying processes. They may be defined as nonconformities to established standards in the execution of processes. The nonconformities typically take the form of items of material concern that



violate sound procedures and accountability.

Issues are logged during process/org certification by the process/org owner. Their implementation in Oracle Internal Controls Manager is as follows:

- Setup of Issues
- Recording Issues in Oracle Internal Controls Manager
- Using Remediations in closing Issues

**Note:** The steps listed above are similar to those that are executed for a Finding. For more information, refer to Findings in Oracle Internal Controls Manager, page 12-1.



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# Financial Statement Certification

This chapter covers the following topics:

- Introduction
- Overview
- Setup of Financial Certifications in Internal Controls Manager
- Certifying Financial Statements using Internal Controls Manager

## Introduction

Both internal and external audits can be oriented towards different goals resulting in different types of audits. The financial audit is conducted to determine whether a firm's financial statements are in compliance with specified criteria. Typically these criteria are generally accepted accounting principles although it is also possible to execute financial audits using a cash or other basis.

Whatever the criteria that are used, the central purpose of a financial audit is the certification of financial statements. This chapter provides detailed information on using Oracle Internal Controls Manager in certifying financial statements.

**Note:** The certification of financial statements makes extensive use of results from the certification of business processes. Once Global Operations Controllers and process owners have certified relevant businesses processes in the enterprise, Signing Officers can perform financial certifications.

For more information, refer to Process Certification, page 10-1 in Oracle Internal Controls Manager.

## Overview

To certify a financial statement, the impact on the statement from the different business

processes that affect the statement needs to be understood.

Financial statements are comprised of financial items. Each financial item is an account or consolidation of accounts and an integral part of the processes that affect it. It is imperative that the processes behind financial items be recognized and incorporated into the financial audit. Financial audits therefore include both test of details of balances as well as audits of the processes that affect those balances.

In addition, governmental regulation in several countries, for example Section 302 of the Sarbanes-Oxley Act in the USA, requires that the principal officers of a firm certify the information contained in the firm's quarterly and annual reports. Management must now attest to the effectiveness of internal controls over financial reporting.

The ordinance also requires these officers to certify that:

- They are responsible for establishing, maintaining, and regularly evaluating the effectiveness of the company's internal controls.
- They have made certain disclosures to the issuer's auditors and the audit committee of the board of directors about the issuer's internal controls.
- They have included information in the issuer's quarterly and annual reports about their evaluation and whether there have been significant changes in the issuer's internal controls or in other factors that could significantly affect internal controls subsequent to the evaluation.

To this end, a view of all controls established, internal as well as those specifically implemented for financial disclosure is required for certification of the firm's financial statements. Monitoring of the controls in the various processes impacting the financial statement takes on increased importance and companies need to establish this ongoing monitoring as part of the financial audit.

Successful completion of an audit of these processes and any related follow-up activities which may be required, results in the financial item being "certified." The certification attests to the processes behind the financial item having satisfactory controls in place.

With the financial statement certification functionality in Oracle Internal Controls Manager, signing officers now have a structured way of ensuring that the internal controls related to every account/financial item is working. The adequacy of internal controls within business processes that affect financial statements is brought about from two different inputs:

- For each financial item, the results from internal audit evaluations of the processes affecting that item are presented in a consolidated fashion to financial "signing" officers.
- Also brought into context are the results of the relevant process certifications by the process owners.

These inputs present adequate perspective for the signing officer to evaluate the processes behind the numbers and hence decide whether adequate controls are in place.

## Ongoing requirement

As a certification is considered valid for a particular time frame, financial items must be audited on a periodic basis to ensure that they are accurate as of the date of the financial statements. Governmental ordinances typically require certification on a quarterly basis prior to the filing of financial statements with regulatory bodies.

## Input from the Audit Engagement

Though some processes are audited infrequently or not at all, the majority of significant business processes in the entity that affect financial items must be subject to a periodic audit. As noted in an earlier chapter, the audit engagement represents a compilation of audit assignments for the entity and is typically associated with the audit of a process. The audit engagement gathers evidence indicating whether the process is fully functional and has satisfactory controls in place.

## Setup of Financial Certifications in Internal Controls Manager

There are two steps that must be undertaken to enable financial certifications in Oracle Internal Controls Manager.

- A. Link Financial Items with Business Processes
- B. Import the Financial Statements to be Certified
- C. Setup Significant Account Assertions

### A. Link Financial Items with Business Processes

Financial items comprise financial accounts and account summaries. As noted earlier, certification of these items is based in part on the audits of the processes that bear on those financial accounts. It is critical that the processes behind financial items be recognized and incorporated into appropriate internal audit engagements.

As a prerequisite therefore, within the Oracle Internal Controls Manager application, all material financial items must be linked with the business processes that affect them. As an example, the Accounts Receivable financial item is affected by a number of order management processes and sub-processes like sales, credit approval, shipping, etc. All of these processes must therefore be associated with the Accounts Receivable item.

In Oracle Internal Controls Manager, you can link multiple financial items to a process and vice versa.

**Note:** For detailed information on setting this relationship, refer to the section Linking Key Accounts with Processes, page 2-31.

## B. Import the Financial Statements to be Certified

Topic	Navigation Path
Import Financial Statement Structure	Using the Signing Officer (or equivalent) responsibility, click the Setup tab and then select the "Identify Financial Statements for Certification" option.

You can select available financial statements from Oracle FSG or your external financial reporting application, based on the profiles setup in Step A above.

Oracle Internal Controls Manager handles various alternate scenarios associated with financial statement and key account imports. For example, importing a changed financial statement structure will not obliterate a certification taking place on the older version of the structure. Instead, a new certification involving this financial statement will automatically use the new structure.

The financial statements being imported must utilize the value set specified in the AMW: Natural Account Value Set profile option. This option defines which financial accounts will be recognized by Oracle Internal Controls Manager if FSG reports are used. If a third party reporting system is used, then this profile option is ignored.

**Note:** Ensure that the Key Accounts are imported before the import of the Financial Statements. Otherwise the relationship between Financial Items and Accounts will not be defined.

## C. Setup Significant Account Assertions

Assertions refer to implied or expressed representations by management about an organization's processes and/or the components of its financial statements.

Auditing standards classify assertions into broad categories such as:

- Existence or Occurrence
- Completeness
- Valuation or Measurement
- Rights and Obligations
- Presentation and Disclosure

The application allows you to assign assertions to individual controls in the risk library.

**Note:** For more details, refer to Control Attributes, page 4-13.

In addition, you can also link natural accounts (and their roll ups) to specific assertions. For example, a firm can link all significant payables accounts to the "Completeness" assertion.

By mapping payables accounts to this assertion, Oracle Internal Controls Manager gives you the ability to check whether the "Completeness" assertion is addressed by any controls that bear on these financial items.

This helps ensure that existing accounts payable are included in the accounts payable list.

Topic	Navigation Path
Setup Significant Account Assertions	Using a Super User (or equivalent responsibility), navigate to the Risk Library tab and then the Significant Accounts subtab.  Click the Update icon for the appropriate account to associate Assertions with it.

Home Financial Statements Audit Operations Segregation of Duties Organizations Risk Library

Processes | Risks | Controls | Audit Procedures | **Significant Accounts** | Import

Risk Library: Significant Accounts >

**Make Assertions to Account: Gain on Sale**

Account Value **4525** Account Name **Gain on Sale** Cancel Apply

**Assertions**

Select All | Select None

Select Name
<input type="checkbox"/> Existence or Occurrence
<input type="checkbox"/> Completeness
<input type="checkbox"/> Valuation or Measurement
<input type="checkbox"/> Rights and Obligations
<input type="checkbox"/> Presentation and Disclosure
<input type="checkbox"/> Validation of Data
<input type="checkbox"/> Accuracy
<input type="checkbox"/> Restricted Access

## Certifying Financial Statements using Internal Controls Manager

Signing Officers identify significant financial accounts and sign off that there are adequate controls for the significant processes that impact these financial accounts. Execute the following three steps to certify financial statements using Oracle Internal Controls Manager:

1. Create / Review Financial Certifications in the Enterprise

2. Evaluate and Certify Financial Items
3. Certify the Financial Statement

**Note:** To ensure that numbers in the financial certifications windows described below reflect the latest evaluations, and certifications data, Oracle Internal Controls Manager utilizes business event processing to capture and process changes in the application. Refer to Certification Notes, page 10-23 for more information.

In addition, the concurrent program "Populate Financial Statement Certification summary" can also be scheduled in case of problems with event processing. This program summarize process data and audit evaluation results and then updates the relevant tables in the application.

## 1. Create / Review Financial Certifications in the Enterprise

### Create a Financial Statement Certification

Signing officers who want to get their financial statements certified can create financial statement certifications. A financial statement certification is a container, analogous to a project, and represents a particular financial statement undergoing certification.

Topic	Navigation Path
Creating Financial Statement Certifications	Using the Signing Officer or equivalent responsibility, navigate to the Financial Statements tab and then the Certifications subtab to access the Create button



Home
Financial Statements
Business Processes
Organizations
Setup

Certifications
Remediation
Findings
Issues

Financial Statements: Certifications >

Create Certification

\* Indicates required field

\* Name

\* Owner

Frazier, Mr. Landon

Type

SOX 302

Description

\* Financial Statement

\* Period

\* Target Completion Date

Cancel

Apply

(example: 26-Apr-2005)

Include Process Certifications

Process Certifications

Name

Go

More Search Options

Included Certifications

Move

Move All

Remove

Remove All

The following table provides further information on select fields in the Create Certification window.

Field	Details	Seeded Values	Lookup Type	Accessibility Level
Type	Financial statement certification geared towards 302 or 404 compliance.	SOX 302 SOX 404	NA	System
Owner	The individual responsible for this certification. The Target Completion Date and Status of the Certification are maintained by the owner.	NA	NA	NA

Field	Details	Seeded Values	Lookup Type	Accessibility Level
Financial Statement	Select the financial statement that this certification encompasses. All financial items that belong to this statement are evaluated. A financial statement certification is a consolidated evaluation of these individual financial items.	Originate in FSG or 3rd party reports	NA	NA
Certification Period	<p>The LOV lists the accounting periods from Oracle General Ledger.</p> <p>The calendar that these periods are taken from is based on the profile option AMW: Default Calendar. Periods for certification purposes in Oracle Internal Controls Manager are based on the calendar entered for this profile setting.</p>	According to the Oracle General Ledger calendar.	NA	NA

Field	Details	Seeded Values	Lookup Type	Accessibility Level
Process Certifications	<p>Select process certifications for which detailed results will be displayed in the certification windows. Note that you can link multiple process certifications for the same financial statement and certification period.</p> <p>The financial items can then be evaluated as "effective" or "ineffective" based on these results i.e. whether the processes impacting them have effective controls in place.</p>	All process certifications that have been saved in the system	NA	NA

All certifications are created in "Draft" status. Before financial items and statements can be certified, the status of the certification must be changed to "Active." To do this click the Update button in the Certification Details window (Financial Statements tab > Certifications subtab).

The following table lists the details of status values in the Update Certification Status window.

Status	Details
Draft	All certifications are created in Draft status

Status	Details
Active	<p>In order to certify financial items and statements, certifications must be in Active status.</p> <p>Also, the concurrent programs that summarize and update certification data, only work on financial items within "Active" certifications.</p>
Rejected	Certification terminated by the user.

## Review a Financial Statement Certification

Review the current status of your financial statement certifications as shown below.

Topic	Navigation Path
View Financial Statement Certifications	Using the Signing Officer or equivalent responsibility, click the Financial Statements tab and then the Certifications subtab

This window lists all financial certifications that have been initiated in the enterprise. Drill down into a certification to access its financial items. All financial items that belong to the statement linked to this certification can be evaluated and the certification is ultimately a consolidated evaluation of these individual financial items.

**Note:** By selecting a particular financial statement to be associated with a financial statement certification, the scope of the certification is automatically restricted to the financial items listed under that financial statement.

You can drill into a certification (by clicking on the certification hyperlink) to view

- The financial items that make up the financial statement
- The processes, organizations, risks, and controls affecting these financial items

Oracle Internal Controls Manager collates all the necessary information into a certification dashboard, scorecard, and other views to provide a comprehensive summary of financial items and processes affecting those items.

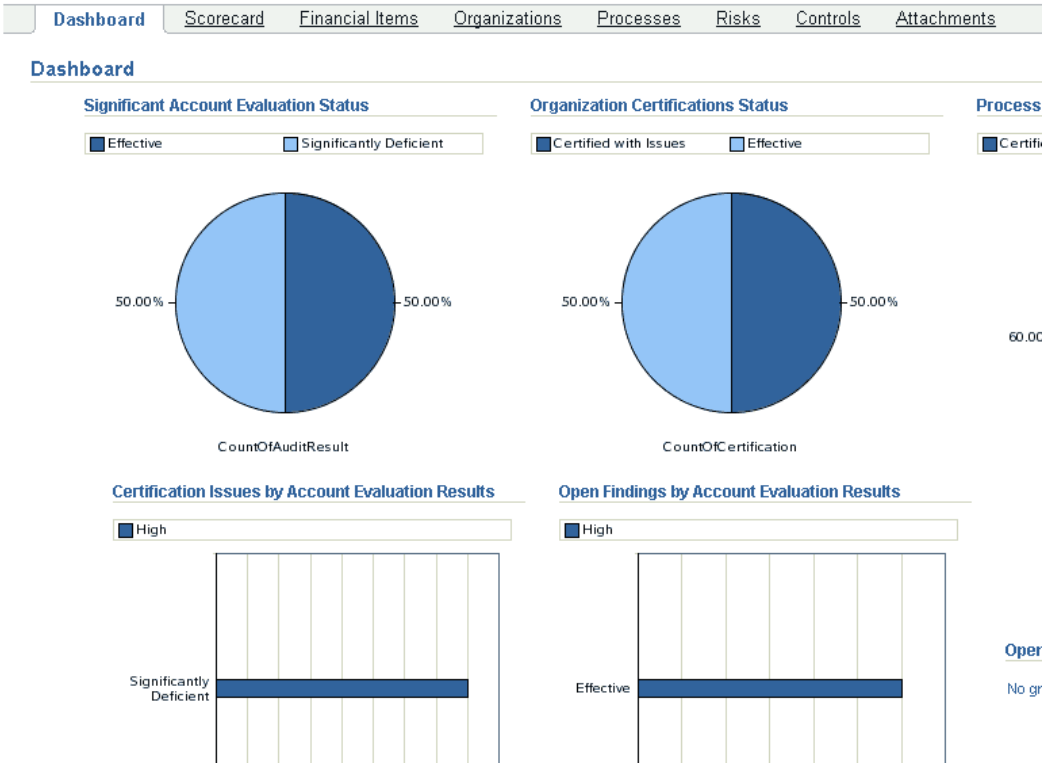
**Note:** Detailed information on the certification dashboard, scorecard, etc. are provided in the following sections.

2. Evaluate Financial Items

Drill into a particular financial statement certification to evaluate and certify it as follows:

Dashboard Tab

The dashboard provides a summary view of audit evaluation results and certifications for the financial items included in the certification.



- Open Findings by Account Evaluation Results
- Open Remediations by Account Evaluation Results

## Scorecard Tab

**Financial Statement Certification: Balance Sheet Certification - Q4** Update

Name	<b>Balance Sheet Certification - Q4</b>	Owner	<b>Frazier, Mr. Landon</b>
Type	<b>SOX 302</b>	Target Completion Date	<b>31-May-2005</b>
Quarter	<b>Q2</b>	Year	<b>2005</b>
Status	<b>Draft</b>	Financial Statement	<b>Corporate Balance Sheet</b>
Description	<b>Balance Sheet Certification - Q4</b>		

[Dashboard](#)
[Scorecard](#)
[Financial Items](#)
[Organizations](#)
[Processes](#)
[Risks](#)
[Controls](#)
[Attachments](#)

**▼ Certification Result** Update

Summary  
Result  
Details

**▼ Ineffective Financial Items**

Financial Item	Last Evaluation
Cash	
Cash and Short Term Equivalents	
Accounts Receivable Total	

**▼ Summary**

Last Refreshed On: **06-May-2005 11:26:13**

[Changes To Processes Since \(01-May-2005\)](#)

New Risks Added **0**  
New Controls Added **0**

[Process Certification](#)

Corporate Processes Not Certified	<b>3</b>	Corporate Processes Certified With Issues	<b>2</b>
Organization Processes Not Certified	<b>16</b>	Organization Processes Certified With Issues	<b>1</b>

[Audit Evaluation](#)

Corporate Processes With Ineffective Controls	<b>3</b>	Unmitigated Risks	<b>0</b>
Organization Processes With Ineffective Controls	<b>1</b>	Ineffective Controls	<b>2</b>

**▼ Process Certifications**

Name	Type	Certification Owner	Quarter	Year	Status	Creation Date	Target Completion Date
Q1 2004 Certification SOX 302	Frazier, Mr. Landon	Q1	2004	Active	09-Dec-2004	31-Dec-2004	

This window displays a comprehensive view of the state of the financial statement certification to Signing Officers. For the applicable certification, the Scorecard view provides:

- A financial certification result
- A listing of "ineffective" financial items within the financial statement.
- Changes to processes affecting the financial statement (since the beginning of the certification period). This is a summary view of any additions in risks or mitigating controls associated with these processes since the start of the certification period.

Metrics are also provided from two different perspectives as follows:

- A process certifications summary view of the processes affecting the financial

items/statement. This view provides the perspective of the owner of these processes and lists the number of processes that are uncertified or certified with issues in the enterprise.

**Note:** Also refer to Corporate Processes vs. Organization (Local) Processes, page 10-3.

- The evaluation results from audit engagements involving processes that affect the statement. These results provide an internal audit perspective to the financial statement certification.

Displays the number of processes (Corporate and Organization) with "Ineffective Controls" and "Unmitigated Risks." These numbers are from the most recent evaluations of the respective processes across audit engagements.

The information in the Scorecard tab is similar to the one displayed in a business process certification. Note that the Scorecard tab includes only those processes and organizations that affect the financial items under the financial statement in scope.

Click the Update button to enter or update a certification result.

The following views provide comprehensive summaries of the particular financial items and statement undergoing certification. You can use these views to obtain a comprehensive appraisal of the financial item before entering an evaluation.

### **Financial Item View - Evaluation Summary**

Financial Item views list all financial items belonging to the statement in the certification and provide different perspectives to the evaluator.

The functionality represented in the Evaluation Summary is the following: signing officers can evaluate each financial item in the statement, based on the perspective of:

- The business processes impacting the item and
- The internal control evaluations of those processes

Details from internal audit evaluations present the outstanding problem areas in the respective processes. These include unmitigated risks and ineffective controls. Similarly, the process certification results that are of concern (processes certified with issues or processes that are pending certification) are highlighted.

Process certification in Oracle Internal Controls Manager therefore "flows" into a signing officer's view on line items in financial statements. The signing officer can drilldown into the process (discussed in the sections on Process/Risks/Controls Views) that supports a particular financial line item. The audit evaluation along with a certification provides two independent views of the process.

All numbers can be represented with icons to represent the impact levels. These images can be customized and they filter through all the certification screens in process and

financial statement certification.

**Note:** For more information on the numbers and icons associated with these columns, see Certification Notes.

The profile option "AMW: Show Financial Items with no Control Assertions, Components and Categories" can be set to "No" to omit such financial items from all views.

The financial items can be evaluated as "effective" or "ineffective" based on whether the processes impacting them have effective controls in place. There may also be issues that need to be followed up on.

The screenshot displays the 'Financial Statements' section of the Oracle Internal Controls Manager. The main heading is 'Financial Statement Certification: Balance Sheet Certification - Q4'. Below this, a summary table provides key metrics:

Metric	Value
Processes Pending Certification	68%
Processes with Ineffective Controls	5%
Unmitigated Risks	0%
Ineffective Controls	61.4%

Below the summary, a table lists specific financial items with their certification status and associated icons:

Financial Item	Processes Pending Certification	Processes with Ineffective Controls	Unmitigated Risks	Ineffective Controls	Last Evaluation	Evaluate History	Attachments
Corporate Balance Sheet							
Cash and Short Term Investments	68%	5%	0%	61.4%			
Accounts Receivable - Net of Allowance	0%	0%	0%	100%			
Other Current Assets	60%	60%	0%	0%			
Net Income for Current Year	60%	60%	0%	0%			

The following sections provide detailed information on the columns in this window:

**Process Pending Certification:** The ratio of the number of processes that have NOT been certified out of the total number of processes in the enterprise that affect this financial item.

**Note:** A process that is "certified with issues" counts as a certified process in computing this fraction.

You can click on the ratio hyperlink to drill down to the evaluation details of the most recent audit engagement that includes these processes.

**Processes Certified with Issues:** The ratio of the number of processes that have been certified with issues out of the total number of processes in the enterprise that affect this



financial item. You can click on the ratio hyperlink to drill down to the evaluation details of the most recent audit engagement that includes these processes.

Processes with Ineffective Controls: The ratio of the number of processes evaluated as being "ineffective" out of the total number of processes that affect this financial item.

**Note:** These numbers are from the most recent evaluation of the processes as conducted across audit engagements. For more information on the evaluation of processes as "ineffective," refer to Step 4: Evaluate processes based on risk and control evaluations, page 8-31.

Audit Evaluations: The next two columns:

- Unmitigated Risks
- Ineffective Controls

are from the most recent evaluation of the processes affecting this financial item as conducted through an audit engagement. This evaluation is typically done by the firm's internal audit staff and provides authoritative support to the certification made by the signing officer.

Unmitigated Risks corresponds to the ratio of the number of unmitigated risks out of the total number of risks that affect the processes associated with the financial item. An unmitigated risk is one that has been evaluated as such by internal audit (a risk having an opinion other than the "Mitigated" opinion).

Ineffective Controls corresponds to the ratio of the number of ineffective controls out of the total number of controls that affect the risks and processes associated with the financial item. An ineffective control is one that has been evaluated as such by internal audit (a control having an opinion other than the "Effective" opinion).

You may click on either of these to drill down to the details of the risk or control.

**Note:** For more information on the mitigated and effective opinions, refer to the following:

- Step 2: Provide a consolidated evaluation of the control, page 8-28
- Step 3: Evaluate risks based on evaluations of the controls mitigating those risks, page 8-29
- Opinions Framework in Oracle Internal Controls Manager, page 8-37

Evaluate: After checking the remaining views of the financial item (discussed in the following sections), click the Evaluate icon to enter an evaluation of the financial item. The evaluation is tied to the "opinions framework" in Oracle Internal Controls Manager. The following table provides further information on select fields in the Evaluate

Financial Item window.

Field	Seeded Values	Source	Accessibility Level
(Audit Opinion) Conclusion	Effective Deficient Significantly Deficient Materially Weak	Opinions Framework components for the Financial Item object (Audit Opinion component)	Refer to the section: Opinions Framework in Oracle Internal Controls Manager, page 8-37

**Note:** For more information on seeding certification values, refer to the Opinions Framework in Oracle Internal Controls Manager, page 8-37.

You may also drill into a financial item to view and certify the financial accounts that make up that item.

## Financial Item View - Control Categories

<a href="#">Dashboard</a> <a href="#">Scorecard</a> <a href="#">Financial Items</a> <a href="#">Organizations</a> <a href="#">Processes</a> <a href="#">Risks</a> <a href="#">Controls</a> <a href="#">Attachments</a>								
* View By <span>Control Categories</span>								
<a href="#">Expand All</a>   <a href="#">Collapse All</a>								
	Focus Financial Items	Effectiveness and efficiency of operations	Reliability of Financial Statements	Compliance with applicable laws and regulations	Safeguarding Information and Systems	Meeting Strategic Objectives	Last Evaluation	Evaluate
	Corporate Balance Sheet							
	Cash and Short Term Investments	21%	6%	21%	13%			
	Accounts Receivable - Net of Allowance	100%	0%	100%	50%			
	Other Current Assets		0%					
	Net Income for Current Year		0%					

Controls can be associated with Control Categories (Control Objectives) in the risk library of the application.

**Note:** For more details, refer to Control Attributes, page 4-13.

As a result of this link, accounts are also linked to Control Categories through the account - process - risk - control matrix. The Control Categories view of a financial item displays the effectiveness (ineffectiveness) of the processes in the enterprise that have controls which address the Control Categories in question.

The dashboard can be read as follows: Of the controls that address this particular

Control Category (shown in the column header) and are linked to processes associated with this financial item, X% are ineffective.

## Financial Item View - COSO Components

As in the case of Control Categories above, controls can also be associated with COSO components in the risk library of the application.

As a result of this link, accounts are also linked to COSO components through the account - process - risk - control matrix. The COSO components view of a financial item displays the effectiveness (ineffectiveness) of the processes in the enterprise that have controls which bear on the COSO components in question.

The dashboard can be read as follows: Of the controls that bear on this particular COSO Component (shown in the column header) and are linked to processes associated with this financial item, X% are ineffective.

## Financial Item View - Control Assertions

Dashboard Scorecard Financial Items Organizations Processes Risks Controls Attachments											
* View By Control Assertions											
Expand All   Collapse All											
Focus	Financial Items	Existence or Occurrence	Completeness	Valuation or Measurement	Rights and Obligations	Presentation and Disclosure	Validation of Data	Accuracy	Restricted Access	Last Evaluation	Evaluate
	Corporate Balance Sheet										
	Cash and Short Term Investments		3% ✖		3% ✖						
	Accounts Receivable - Net of Allowance		50% ✖								
	Other Liabilities - Long Term	0% ✖									

Controls can be associated with Control Assertions in the risk library of the application. As a result of this link, accounts are also linked to COSO components through the account - process - risk - control matrix.

In addition, accounts are linked to Control Assertions directly through the setup of Account Assertions.

**Note:** For more details, refer to Setup Significant Account Assertions, page 11-4.

The Control Assertions view of a financial item displays the effectiveness (ineffectiveness) of the processes in the enterprise that have controls which bear on the Control Assertions in question.

The dashboard can be read as follows: Of the controls that address this assertion

(shown in the column header) and are linked to processes associated with this financial item, X% are ineffective.

In addition, if the assertion exists for the account (fin item) and is not addressed by any controls on processes that are associated with the financial item, the account or item is still flagged with a 0%. This latter functionality is a result of the setup of the Account - Assertions association and does not apply to the numbers for Control Categories and Control Components. For example, if a Control Category is not addressed by any controls on processes that are associated with the financial item, the display in the grid is simply NULL (blank).

## **Organizations View**

Alternately, a signing officer can perform certification work by surveying the different organizations in scope for the particular statement undergoing certification. This is made possible by the "Organizations" tab in the financial statement certification details page.

This view summarizes the audit evaluations and process certifications from the perspective of all organizations that execute processes that impact the statement. Officers can drill down to the specific processes and their process certification and audit evaluation details to gain an understanding of any processes that have reported problems in their controls. This layout just gives an alternate view of the same information as under the "Financial Items" tab, but categorized by organization. The officers would then, need to go back to the financial items tab to evaluate the items.

### **Alternate Views**

Alternately, a signing officer can execute certification work by surveying the different processes, risks, and controls in scope for the particular statement undergoing certification. This is made possible through the "Processes," "Risks" and "Controls" tabs described below.

## **Processes View**

The "Processes" tab summarizes the audit evaluations and process certifications from the perspective of all processes that impact the statement. Officers can drill down to the specific processes and their process certification and audit evaluation details to gain an understanding of any processes that have reported problems in their controls. This layout just gives an alternate view of the same information as under the "Financial Items" tab but categorized by process. The officers would then, need to go back to the financial items tab to evaluate the items.

Sub-processes: Valid for parent processes. The ratio of the number of sub-processes certified to the total number of sub-processes under this parent. You can click on the hyperlink to drill down to the evaluation and certification details of the sub-processes.

Org processes: Valid in parent organizations. The ratio of the number of child organizations where the process (or a variant) has been certified to the total number of organizations under the parent.

Certification Result: Tied to the "opinions framework" in Oracle Internal Controls Manager. The application is pre-seeded with the following values:

- Certified
- Certified with Issues

**Note:** For more information on seeding certification values, refer to the Opinions Framework in Oracle Internal Controls Manager, page 8-37. The relevant object in this case is the Organization Process object that is a "certification" (not the object that is an "evaluation").

Note that "Certified with Issues" counts as a certified entry in computing the fraction in the Sub-Processes column while processes with no certification result count as "Not Certified."

Last Evaluation: Clicking on the Last Evaluation result icon, takes you to the details of the evaluation.

Evaluation History: Clicking the History icon takes you to the Process Evaluation History window where you can view the history and results of all audit engagements where this process was evaluated in the past.

## Controls and Risks Views

The "Controls" and "Risks" tabs provide information on all the controls and the risks that impact the statement by being associated with processes that affect the financial items being considered. Again, this is a different view of the same information categorized by organization or process in the other tabs.

Once all reviews are complete, return to the Financial Items - Evaluation Summary window to evaluate the financial item.

**Note:** For more information, refer to the Evaluate section under Financial Item View - Evaluation Summary, page 11-13.

## 3. Certify the Financial Statement

As noted earlier, by selecting a particular financial statement to be associated with a financial statement certification, the scope of the certification is automatically restricted to the financial items listed under that financial statement.

Based on the evaluation and certification of individual items within the financial statement, Signing Officers can certify the statement as follows.

Topic	Navigation Path
Certify Financial Statement	<p>Using the Signing Officer or equivalent responsibility, click the Financial Statements tab and then the Certifications subtab</p> <p>Drill into the Financial Statement Certification and click the Update button.</p>

The following table provides further information on select fields in the Certify Financial Statement window.

Field	Seeded Values	Source	Accessibility Level
(Certification Result) Conclusion	Certified Certified with Issues	Opinions Framework component for the Financial Statement object (Certification Result component)	Refer to the section: Opinions Framework in Oracle Internal Controls Manager, page 8-37

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## Findings in Oracle Internal Controls Manager

This chapter covers the following topics:

- Introduction
- Findings in Oracle Internal Controls Manager
- Issues in Oracle Internal Controls Manager
- Correction Requests in Oracle Internal Controls Manager
- Security for Issue Management Entities

### Introduction

"Issue Management" in Oracle Internal Controls encompasses the following entities:

- Findings. During the audit process, nonconformities to established standards are often discovered in the organization. These nonconformities are identified as "Findings" and are typically items of material concern that violate sound accounting practice and accountability. Findings must be effectively addressed and remedied.
- Issues. These are similar to Findings except that they are initiated during the certification of a process.
- Remediations. Remediations are the plans and actions to remedy the problem areas and are used to close Findings and Issues.
- Correction Requests. When a segregation of duties violation is discovered, you can initiate a formal Correction Request to correct the violation. The request can be assigned to a particular user and then tracked in the application.
- Disclosure Committees. Provides a structured framework to manage the needs of audit committees.

This chapter provides all the information you need to set up and create the above entities using Oracle Internal Controls Manager.

**Note:** Detailed information is provided for the set up and implementation of the Findings entity. The set up of the remaining entities mirrors that described for Findings.

## Findings in Oracle Internal Controls Manager

Findings encapsulate information on non-compliance that arise in different aspects of the internal audit and assurance system. They are uncovered through audit projects as well as by random observations. Identified findings are logged by process owners/auditors into the system and can be assigned to other personnel as well. The ability to record and track Findings is critical for capturing information that can materially affect a certification or an audit opinion.

This data is also indispensable for subsequent process work and audit planning activities. Corrections and improvements must be made if nonconformities or opportunities for improvement are discovered. The audit process may therefore be used to drive improvement throughout the organization and follow-up audits are performed to verify implementation and effectiveness of the corrective action.

Oracle Internal Controls Manager provides a rich set of functionality to help you in the recording and resolution of your Findings.

- Findings can be assigned/reassigned to individuals. You can also escalate a Finding for follow up based on predefined routing templates.
- The Findings framework provides a rich set of seeded attributes that can be entered while logging the Finding. In addition, administrators can also define new attributes to capture additional information.
- Threaded discussion capability allows auditors and their supporting staff to collaborate on a Finding.
- "Remediations" (plans and actions to remedy the problem areas) can be created and subsequently linked to Findings. The goal is to address the problem raised in order for auditors and process owners to close the finding(s) and make a recommendation for certification. In lieu of closure, the auditor can also issue the certification as "Certified with Issues."

**Note:** For more information on Remediations, refer to Using Remediations in closing Findings, page 12-15.

Findings & Remediations Benefits



- Findings assist in raising important questions that must be resolved before processes and financial statements can be certified.
- Findings & Remediations form part of an audit report that is issued at the end of an audit.
- Findings & Remediation form the basis of communication with the audit committee, management, and other stakeholders in the company.
- Findings from an audit project communicate the "problem" areas to all concerned parties.
- Remediation actions solve the "problem" areas.

## Findings Types

Findings are recorded during the course of evaluating organizations, processes, risks, controls, audit procedures, and audit projects. They can incorporate any aspect of firm execution in these areas.

Oracle Internal Controls Manager uses Findings Types to distinguish the different kinds of Findings that you can create. The following types are seeded in the module and you can click on the Finding Types hyperlink (see Setup of Findings > Define Basic Information) to view the list.

Name of Finding Type	Description
ProjAP	Audit Procedure Findings.
ProjCtrl	Control Findings.
ProjOrg	Organization Findings.
ProjProc	Process Findings.
ProjRisk	Risk Findings.
ProjStep	Audit Procedure step.
Project	Project Findings.

When a Finding is created, the application automatically logs it as one of these types based on the context in which it was created.

**Note:** Finding Types are pre-seeded in Oracle Internal Controls Manager. The application does not recognize any other types of Findings.

The following are examples of Findings in an enterprise:

**Organization Findings:** The organization structure is not conducive to obtaining information and interviews for audits in an easy manner.

**Process Findings:** In the procure-to-pay process, there is an unidentified risk in terms of a non-employee being vested with decision power to purchase.

**Risk Findings:** The risk "theft" is impacting multiple processes because of a lack of physical security.

**Control Findings:** The Control of a manager authorizing purchases could be flouted in some purchases or there may not be proper auditing checks on the efficacy of this control.

The Finding Type drives several parameters associated with the Finding. Drill into a Finding Type to set the following information:

- Default Assigned To information
- Approval Routing
- Attribute Groups

The implementation of Findings in Oracle Internal Controls Manager is discussed in the following sections:

- Setup of Findings
- Recording Findings
- Querying and Viewing Findings
- Using Remediations in closing Findings

## Setup of Findings

Before Findings can be created and used in Oracle Internal Controls Manager, they must be set up as described in this section. Note that these setups are undertaken for a particular Finding Type and all Findings associated with that Type will accordingly display the setups. Define the following for each Finding Type:

1. Basic Information
2. Attributes and Value Sets

3. Finding Priorities and Reasons
4. Approval Routing Templates
5. Configuration

The listed steps are optional and you can create a Finding that does not utilize any of these features.

## 1. Define Basic Information

All Findings associated with the Finding Type will use this information as a default. Basic information includes valid dates/numbering for the Finding and default "Assigned To" information.

Topic	Navigation Path
Define Basic Information for a Finding Type	<p>Using the Internal Auditor (or equivalent) responsibility, click the Setup tab and then the Issue Management subtab.</p> <p>Select the Categories and Types hyperlink.</p> <p>For the Findings Category click on Types, drill into the appropriate Finding Type and then click on the Workflow hyperlink. Update this info as required.</p>

For Autonumbering that is Sequence Generated you may designate an appropriate Prefix.

## 2. Define Attributes and Value Sets

Oracle Internal Controls Manager allows you to create different attributes (dimensions) that can be attached to different Finding Types. Attribute values can be seeded in Value Sets. This is a powerful feature and allows you to add user defined elements to a Finding based on its Type.

Consider the following examples, all of which relate to creating Findings in a particular context:

- When the Finding is created in a risk context, you may want to add the attribute "Exposure" with pre-defined levels.
- When the Finding is created in the context of an audit procedure, you may want to also set an attribute "Ease of Execution" with pre-defined levels. You may also want to provide the originator with a text box to allow free text regarding this dimension.

- When you create a Finding in the context of a project, you may want to add an attribute "Federal" with values "Yes" or "No."

The following four tasks must be undertaken to define attributes and attach them to a Finding Type:

- Define Value Sets and Values
  - Define Attribute Groups and Attributes. Associate Value Sets to Attributes.
  - Associate Attribute Groups to Finding Types
  - Define Pages to display the Attribute Groups
- Define Value Sets and Values

Topic	Navigation Path
Define Value Sets	Using the Internal Auditor (or equivalent) responsibility, click the Setup tab and then the Value Sets subtab.  In the Maintain Value Sets window, click the Create button. You will also define appropriate values from this window.

- Define Attribute Groups and Attributes. Associate Value Sets to Attributes.

Topic	Navigation Path
Define Attribute Groups Define Attributes	Using the Internal Auditor (or equivalent) responsibility, click the Setup tab and then the Issue Management subtab  Select the Attributes hyperlink  In the Search: Attribute Groups window, click the Create button.  Once the Attribute Group is created, click the button to Add Attributes. Each of the attributes created can be linked to a value set defined in step a.

The following table provides further information on select fields in the Create Attribute Groups page.

Name	Description
Multi-Row	<p>An attribute group can be multi-row or single-row. Multi-row attribute groups enable you to associate multiple sets of attribute values with the same object instance.</p> <p>For example, if "Exposure" was a multi-row attribute, then you can associate multiple "Exposure levels" with the attribute in the Finding. For Single Row attribute groups, you can enter only one value for each attribute.</p>

#### c. Associate Attribute Groups to Finding Types

Topic	Navigation Path
Associate Attribute Groups to Finding Types	<p>Using the Internal Auditor (or equivalent) responsibility, click the Setup tab and then the Issue Management subtab.</p> <p>Select the Categories and Types hyperlink.</p> <p>For the Findings Category click on Types, then drill into the appropriate Finding Type and then click on the Attribute Groups hyperlink. Finally click the Add Attribute Groups button to make the association.</p>

#### d. Define Pages to display the Attribute Groups

Topic	Navigation Path
Finding Type details	<p>Drill into the appropriate Finding Type as described in c. above and then click on the Pages hyperlink.</p> <p>Finally, click on the Create Page hyperlink and then the "Add Another Row" button to associate one or more Attribute Groups to the page.</p>

**Note:** Creating Attributes and attaching them to Findings uses

functionality originally devised in the Oracle Product Lifecycle Management module.

If you need further information on creating Value Sets, Attribute Groups, and Attributes, refer to the following sections in the Oracle Advanced Product Catalog Implementation Guide:

Chapter 4: Change Management Administration

Chapter 7: Attributes and Function Administration

### 3. Define Findings Priorities and Reasons

Findings can have an associated predefined Priority and Reason and you can create/update seeded values for your Findings. When you later create a Finding, you can choose to associate it with one of these predefined values.

Topic	Navigation Path
Findings Priority	<p>Using the Internal Auditor (or equivalent) responsibility, click the Setup tab and then the Issue Management subtab.</p> <p>Click on the Priorities/Reasons hyperlinks to create Priority/Reason values that you can associate with your Findings.</p> <p>In the Issues Management subtab select the Categories and Types hyperlink.</p> <p>For the Findings Category click on Types, then drill into the appropriate Finding Type and select Codes to create a subset of these Priorities/Reasons for use with that Finding Type. When Findings are entered in the system, they can be associated with a Priority/Reason in this subset.</p>

### 4. Define Approval Routing Templates

You may escalate a Finding for follow up and/or approval based on predefined routings. For example, a Finding that is recorded in the context of an audit procedure could be assigned to a particular person for further investigation, while one recorded for an audit risk could use a completely different approval hierarchy.

Oracle Internal Controls Manager allows you to create approval routing templates and associate one or more templates to a Finding Type. The template specifies how the Finding needs to be routed and the workflow process is then entirely automated.

Perform the following two steps to implement approval routings.

a. Create an approval template

Topic	Navigation Path
Setup of Approval Routing Templates	Using the Internal Auditor (or equivalent) responsibility, navigate to the Setup tab and then the Approvals subtab.  Click the Approval Templates hyperlink and then the Create button.

In this window, select the Type of the template as follows:

**Approval:** The Approval workflow template type is valid only for workflows within a Lifecycle that has a status type of Approval.

**Definition:** The Definition workflow template type is used primarily for workflows within a Lifecycle that has a status type of Open.

**Definition and Approval:** The Definition and Approval workflow template type is used primarily within a Lifecycle that has a status type of Approval.

**Generic:** The Generic workflow template type is used for all other Lifecycle status types.

**Note:** These templates are used in Lifecycle Statuses as described in b. below. For more information on Lifecycle Statuses, refer to Track Lifecycle Statuses, page 12-15.

Then add one or more workflow approval steps based on your requirements. Each of these steps requires the following parameters:

- Workflow Process - "Request Approval," "Request Comment," "FYI."
- Assignee - Assigned from the setup of the template ("Derived") or "User Entered."
- Response Required - Either "All" approve or any "One" approves. Also, if you choose the "Mandatory Assignees" option, then for every assignee, the form requires you to specify whether the assignee is mandatory or optional. No response is required from an Assignee for a "FYI" process.
- Days to Respond - Enter the number of days (from the time this step is executed) in which you need a response.
- Finally, select the Assignee i.e. the recipient of the Finding. The application allows you to choose between "Group," "Person," or "Role." You do not need to select an Assignee if the recipient is "User Entered."

[Risk Library](#) | [Audits](#) | **[Issue Management](#)** | [Opinions](#) | [Import](#)

[Setup: Issue Management](#) > [Workflow Templates](#) > [Create Workflow Template](#) >

### Add Step

\* Indicates required field
 Cancel Add Another Apply

\* Step

10

Workflow Process

Request Approval

Assignee

Derived

Response Required

All Assignees

Days to Respond

1

Instructions

### Assignees

Add Assignee
 

Role

Add

Type	Name	Company	Delete
No data exists.			

b. Associate the approval template to a Lifecycle Status within a Finding Type.

A lifecycle within Issue Management can be thought of as a sequence of statuses for the applicable Entity.

**Note:** For more information on Lifecycle Statuses, refer to Track Lifecycle Statuses, page 12-15.

Before the template can be used, it must be associated with a Lifecycle Status within a Finding Type.

Topic	Navigation Path
Associate the approval template to a Finding Type (and set up / complete the Lifecycle)	Using the Internal Auditor (or equivalent) responsibility, click the Setup tab and then the Issue Management subtab.  Select the Categories and Types hyperlink.  For the Findings Category click on Types, drill into the appropriate Finding Type and then click on the Workflow hyperlink.

Add an "Approval" status (or any other required status) between the seeded "Open" and "Completed" statuses.



Then update the properties of each status as follows:

- Select a valid status for "promotion" and "demotion" of the workflow step. Once the Finding passes all required Assignees and approvals in a particular status, it can be advanced to the next.
- Associate a status with a template setup in (a) above. Within a status, the Finding is routed according to this template. It is important to remember that a workflow template of type "Approval" can only be linked to a Lifecycle status that itself has a status type of "Approval."

## 5. Define the Displayed Configuration

The Configuration in Issues Management setup refers to the "Sections" and "Primary Attributes" that are displayed for a Finding summary.

Topic	Navigation Path
Define the Displayed Configuration for a Finding Type	<p>Using the Internal Auditor (or equivalent) responsibility, click the Setup tab and then the Issue Management subtab.</p> <p>Select the Categories and Types hyperlink.</p> <p>For the Findings Category click on Types, drill into the appropriate Finding Type and then click on the Configuration hyperlink.</p>

The Sections include the following: Dependencies, Action Log, Attached Documents.

**Note:** For more information on the use of these Sections in a Finding, refer to Recording Findings in Oracle Internal Controls Manager, page 12-11.

Primary Attributes include the following: Description, Assigned To, Priority, Reason, Status etc. Primary Attributes are listed on the Findings Summary screen.

## Recording Findings in Oracle Internal Controls Manager

You can enter a Finding in multiple places in the application. In the appropriate window, click the "Open Findings" icon and then the Create button.

The default Finding Type is always based on the context in which the Finding is recorded. For example, if the Finding is entered from the Controls detail page of the audit project, the Finding Type is automatically set as "ProjCtrl."

The following table shows the navigation paths to the various contexts from where you

can create the different types of Findings:

<b>Finding Type</b>	<b>Created From Window</b>
Audit Procedure Findings	Created from the Audit Tasks details window in an audit project. You need to drill into a project task to access the Findings icon associated with an audit procedure.
Control Findings	Created from the Control details window in an audit project.
Organization Findings	Created from the Organizations and Processes details window in an audit project.
Process Findings	Created from the Organizations and Processes details window in an audit project.
Risk Findings	Created from the Risk details window in an audit project.
Audit Procedure step	Created from the Audit Tasks details window in an audit project. Drill into a project task and then click on the Status to access the Findings icon associated with individual steps of the audit procedure.
Project Findings	Created from the Findings details window within an audit project.

When you create a Finding, several fields display default values based on the setups described in the previous section. For example:

- The "Finding Number" is based on the setup of Basic Information for the Finding Type.
- The routing information in the Workflow Approval subtab also defaults from the setup of the Finding Type. Note that the view in this subtab is for a particular Lifecycle Status. View the Finding Summary page (described in the next section) for a concise view of all status.

Other parameters can be entered using values seeded during setups. For example:

- "Priorities"/"Reasons" are entered using values that you seeded during setup.
- Pages to display Attribute Groups appear as subtabs. Attributes in these windows

are entered using values seeded for the associated value sets.

Audits: Projects > Audit Project: Americas OTC Mgmt Q4-2003 >

**Create Finding**

\* Indicates required field

Cancel Save for Later Submit

Finding Type **Project**

Finding Number **PROJECT15**

\* Finding Name

Description

Project **Americas OTC Mgmt Q4-2003**

**Additional Information** Dependencies Workflow Approval Attached Documents Impact and Timeline

\* Assigned To Landon Frazier

Priority High

Reason Cost

Requestor Landon Frazier

Need By Date

(example: 16-Sep-2004 19:45:00)

**Note:** For more information on the subtab sections in the Create Finding window, refer to the following section, Working with Findings in Oracle Internal Controls Manager, page 12-13

## Working with Findings in Oracle Internal Controls Manager

There are two levels of querying Findings in the application. When you access the application using the menu path Audit Operations > Engagements > Audit Engagement and initiate/view a Finding in the various details windows, it is a Finding of a particular type within a specific project.

On the other hand, when you enter the application using the menu path Audit Operations > Findings (also exists under Business Processes and Financial Statements tabs), you can query any kind of Finding across projects. As an example, you can choose to view the Findings for a particular control in the prior three months across all projects in the firm.

Once you create a Finding, you can drill into it to access the Finding Summary page. Use this summary page to record information on the Finding as well as initiate actions such as Approval Routings.

[Audits: Findings](#) > [Results: Finding](#) >

### Finding Summary: 1234522222

Actions

Finding Type **ProjRisk**  
Finding Number **1234522222**  
Finding Name **adfsf**  
Description **adfsfsf**  
  
Assigned To **Landon Frazier**  
Priority **High**  
Phase **Open**  
Approval Status **Not submitted for approval**  
Project **Americas OTC Mgmt Q4-2003**  
Organization **Sales 1003**  
Risk **Fraudulent Returns**

Requestor **Landon Frazier**  
Need By Date  
Creation Date **15-Sep-2004 16:32:39**  
Reason **Cost**

#### ▶ Action Log

#### ▶ Attachments

#### ▶ Dependencies

#### ▶ Impact and Fines

#### ▼ Lifecycle Phases

	Lifecycle Select Phase	Current Lifecycle Phase	Workflow/Approval Template	Workflow/Approval Status	Start Date and Time	Finish Date and Time
<input checked="" type="radio"/>	Open	✓			15-Sep-2004 16:33:23	
<input type="radio"/>	Approval		Finding Approval Routing	Not Started		
<input type="radio"/>	Completed					

Lifecycle Phase: Open

Template Name

Submitted By

## Document the Action Log

The Action Log section acts as a bulletin board where you can initiate a discussion thread among the audit team and management. You can:

- Post Comments
- Request Comments from specific users and track these comments from this section. Oracle Internal Controls Manager maintains an exhaustive history of changes and comments in this window.

## Display and Update Dependencies (If Any)

The Dependencies container shows all entities that are linked to the Finding. Refer to the section Using Remediations in closing Findings, page 12-15.

## Record Attribute Values

The displayed name of this component of the Findings Summary page is based on the nomenclature of the Pages used to contain the Attribute Groups.

**Note:** For more information on creating Pages, refer to 2. Define Attributes and Value Sets, page 12-5.

As described earlier, Attributes associated with Findings are based on your set up of the associated Finding Type.

#### Track Lifecycle Statuses

A lifecycle within Issue Management can be thought of as a sequence of statuses (phases) for the applicable Entity. Each status represents a phase that must be evaluated before it can be promoted to the next status. For example, the lifecycle status for the "Project" Finding Type might be: Open, Approval, Completed. Lifecycles enable you to track and control the statuses of the various entities in Issue Management.

You can specify a set of lifecycle statuses for each Type within an Entity Category. Hence the Finding Type "Project" Finding Type can have a different set of lifecycle statuses than the "ProjStep" Finding Type. Similarly each "Issue" Type can have its own implementation of lifecycle statuses.

The setup of a Lifecycle is conducted during the definition of an Approval Routing Template.

**Note:** For more information, refer to 4. Define Approval Routing Templates, page 12-8.

Initiate the approval routing in the Workflow section of the Findings Summary window. As an example, consider a new finding having an initial Lifecycle status of "Open." When you promote the Finding to the next status (for example, a status of "Approval") the workflow process is launched. If all workflow approvals go through successfully, the Lifecycle status changes to the promoted status.

## Using Remediations in closing Findings

Use the Remediations feature to help you in closing your Findings. Remediations encapsulate information on plans and actions that are being undertaken to address the Findings that have arisen in the course of the audit project.

Remediations can be set up with Attributes, Approval Routings, etc. and the set up mirrors that described earlier for Findings.

**Note:** For more information, refer to the appropriate set up for Findings. Use the "Category and Type" as "Remediation" in the appropriate menu path.

#### Create the Remediation

Remediations are created from the Findings Summary page of a particular Finding and are therefore automatically linked with that Finding.

Topic	Navigation Path
Creating Remediations	<p>Using the Internal Auditor (or equivalent) responsibility, click the Audit Operations tab and then the Findings subtab.</p> <p>For the relevant Finding, drill down to the Findings Summary page and then click the create Remediation button.</p>

To view all Remediations associated with a Finding

Oracle Internal Controls Manager allows you to personalize the display format of your Findings under the Findings subtab.

Topic	Navigation Path
Viewing Dependencies (like Remediations) associated with a Finding	<p>Using the Internal Auditor (or equivalent) responsibility, click the Audit Operations tab and then the Findings tab.</p> <p>Personalize the display format by clicking the Personalize button associated with the Display Format. Disclose the Dependencies container.</p>

Audits: Projects >

**Audit Project: Americas OTC Mgmt Q4-2003**

Project	Americas OTC Mgmt Q4-2003	Start Date	29-Apr-2004
Project Number	302003	Project Manager	Abbott, Mr. John
Status	Active		

[Scope](#)
[Audit Tasks](#)
[Controls](#)
[Risks](#)
[Organizations and Processes](#)
[Findings](#)

[View Reports](#)

Search Criteria:  [Go](#) [Personalize](#)  
 Display Format:  [Go](#) [Personalize](#)  
[Create](#)

Select Finding:  [Go](#)

[Previous](#)

[Next 10](#)

[Show All Details](#) | [Hide All Details](#)

Select	Details	Name	Number	Need By Date	Action Log	Dependencies	Lifecycle Phases	Impact and Timeline
<input type="radio"/>	<a href="#">Show</a>	Management did not monitor or approve changes in prices	500	25-OCT-04				
<input type="radio"/>	<a href="#">Show</a>	Current prices not reflected in all locations	501	31-MAY-04				
<input type="radio"/>	<a href="#">Show</a>	Original units are not being tracked by Serial Number per company policy	400	25-MAY-04				

Drill down into this container to view all Remediations (as well as other entities like Correction Requests, Incident Reports etc.) associated with the Finding. In the Dependencies window you can also select an additional entity (for example another Remediation) through the Add Dependency LOV and link it to the Finding.

Remediations can also be linked to Correction Requests, Incident Reports, Issues, and Disclosure Committee entities in this manner.

## Issues in Oracle Internal Controls Manager

Issues are similar to Findings and are made in the context of certifying processes. They may be defined as nonconformities to established standards in the execution of processes. The nonconformities typically take the form of items of material concern that violate sound procedures and accountability.

Issues are logged during process certification by the process owner. Their implementation (setup, recording, viewing, and closing) in Oracle Internal Controls Manager mirrors that described for Findings in the previous section.

**Note:** For more information, refer to the appropriate set up for Findings. Use the "Category and Type" as "Issue" in the appropriate menu path.

Comparable to Finding Types, Oracle Internal Controls Manager uses Issue Types to distinguish the different kinds of Issues that you can create. When an Issue is created during certification, the application automatically logs it as one of these types based on the context in which it was created.

Name of Issue Type	Description	Navigation Path
CertIssue	Process Certification Issues	Using the Business Process Owner (or equivalent) responsibility, click the Business Process tab and then the Certifications subtab.  Drill down into a certification, then select the Issues subtab.
ProcIssue	Process Issues	Using the Business Process Owner (or equivalent) responsibility, click the Business Process tab and then the Certifications subtab.  Drill down into a certification, then select the My Processes subtab.

**Note:** Issue Type OrgIssue is not used in the application.

Note that you cannot create Remediations (to link to Issues) while working with certifications. Remediations can only be created in a Findings context. However, you can link the Remediation to an Issue as follows:

Topic	Navigation Path
Viewing and linking Remediations with Issues	Using the Business Processes Owner (or equivalent) responsibility, click the Business Process tab and then the Issues tab.  Personalize the display format by clicking the Personalize button associated with the Display Format and show the Dependencies container.

Drill down into this container to view all Remediations (as well as other entities like Correction Requests, Incident Reports etc.) currently associated with the Issue. In the Dependencies window you can also select an additional entity (for example another Remediation) through the Add Dependency LOV and link it to the Issue.

Similarly, you can view all Issues associated with a Remediation by using the menu path Business Process tab > Remediation subtab.



## Correction Requests in Oracle Internal Controls Manager

When a segregation of duties violation is discovered, you can initiate steps to correct the violation and therefore mitigate the risk from users having access to incompatible tasks in the organization.

The initiation takes the form of a formal correction request that can be assigned to a particular user and then tracked in the application. You can also record issues that require follow up action.

The setup of Correction requests mirrors that described for Findings. Note that "DutyViolat" is the only Type of Correction Request in the application.

**Note:** For more information, refer to the appropriate set up for Findings. Use the "Category and Type" as "Correction Request" in the appropriate menu path (you may need to advance to the second set of categories to view "Correction Requests").

Also refer to 3. Initiate Correction Requests, page 9-26 (and subsequently modify user duties)

## Security for Issue Management Entities

To ensure the integrity of the internal audit, it is critical that only appropriate and approved users can record, view, and update issue management entities (Findings, Issues, Correction Requests, and Remediations) and their associated data. For example, only approved users should be able to create a Finding or enter responses to it. Responses to the Finding can take the form of requesting or posting comments regarding the Finding, making status updates, initiating approval routings, etc.

The following sections describe the setup and implementation of the security model that is employed for issue management within Oracle Internal Controls Manager. The appropriate implementation of this security model helps to ensure the reliability of the initiation and follow up of items discovered during the course of the audit that require resolution.

### Creating New Issue Management Entities

Oracle Internal Controls Manager allows or disallows the creation of new issue management entities based on assigned responsibilities:

- A Super User can create any issue management entity.
- An Internal Auditor can create findings and correction requests.
- Remediations can be created by anyone who can access a Finding using the owner

or reviewer access level values (described in more detail below).

- A Global Operations Controller can create issues.
- A Process Owner or Organization Manager (as defined above) can create issues.

Other than by using the above five responsibilities, users cannot create issue management entities in the application.

## Profile based access to Issue Management Entities

For controlling access to issue management entities that already exist in the system, Oracle Internal Controls Manager furnishes the following responsibility level profile options:

- AMW: Remediation Access
- AMW: Issue Access
- AMW: Finding Access
- AMW: Correction Request Access

Each of these profiles can be set to one of three values that control access to the various issue management entities as follows:

1. "No Set Value" - lowest access level, allows no access
2. "Reviewer" - for read only access
3. "Owner" - for read and update access

The following table displays the profile options and responsibilities with their pre-seeded values:

Profile Option	Internal Auditor Resp.	Business Process Owner Resp.	Global Operations Controller Resp.	Signing Officer Resp.	Super User Resp.
Findings (AMW_FINDING_ACCESS)	Owner	None	Reviewer	Reviewer	Owner

Profile Option	Internal Auditor Resp.	Business Process Owner Resp.	Global Operations Controller Resp.	Signing Officer Resp.	Super User Resp.
Issues (AMW_ISSUE_ACCESS)	Reviewer	None	Owner	Reviewer	Owner
Remediations (AMW_REMEDIATION_ACCESS)	Owner	None	Owner	Reviewer	Owner
Correction Requests (AMW_CORRECTIONREQUEST_ACCESS)	Owner	None	None	None	Owner

**Note:** The seeded values in this table can be configured to meet your requirements. In addition, custom responsibilities that you create can have appropriate values for each of the profiles listed.

Users of the application can obtain more than one level of access to an issue management entity. If a user gets more than one level of access for a particular issue management entity (due to different access rules), the highest level of access prevails. This is explained in more detail below.

## Assignee based access to Issue Management Entities

Multiple access levels can occur because an issue management entity that is created during the course of an audit is always assigned to a user. Access levels for assignees are seeded by Oracle and these cannot be changed:

- Findings assignment: Reviewer access (note that the assignee for a Finding can also create remediations for that Finding)
- Issues assignment: Owner access
- Remediations assignment: Owner access
- Correction Requests assignment: Owner access

Example: Assume that a user U logs into the application with a Business Process Owner responsibility and U is the assignee for a Finding F.

Based on the seeded responsibility level profile for a Business Process Owner, the access level of the user for a Finding is "None." However, since user U is an assignee for the Finding F, his access level is also "Reviewer." As the higher of these two levels is "Reviewer," U gets "Reviewer" access for F.

Note that if U was logged in using responsibility Internal Auditor, he would get "Owner" access because "Owner" access at the responsibility level is a higher access level than "Reviewer" access at the assignee level.

## Role based access to Issue Management Entities

Multiple access levels can also occur because of the various and distinct roles that a user can possess while creating or responding to issue management entities. These roles take the following forms:

Creator: the user who created the issue management entity.

Process Owner: the user who owns the process (or a parent of the process) against which the issue management entity is logged.

Organization Manager: the user who is the manager of an organization (or the manager of a parent organization) against which the issue management entity is logged.

The following table displays issue management entities and roles with their pre-seeded values and these values cannot be changed:

Issue Mgt Entity	Creator role	Process Owner role	Org Manager role
Findings	Owner	Reviewer	Reviewer
Issues	Owner	Owner	Owner
Remediations	Owner	Owner	Owner
Correction Requests	Owner	None	None

Example: Assume that a user U logs in with Business Process Owner responsibility and U is the process owner against which a Finding F is logged.

Based on the seeded responsibility level profile for a Business Process Owner, the access level of the user for a Finding is "None." However, since user U is the Process Owner of the process against which the Finding F was logged, his access level is also "Reviewer." As the higher of these two levels is "Reviewer," U gets "Reviewer" access for F.

Note that if U was logged in using responsibility Internal Auditor, he would get "Owner" access. This is because "Owner" access at the responsibility level is a higher access level than "Reviewer" access at the Process Owner level.

**Note:** The site level profile "ENG: Internal User Default Role for Changes" sets the minimum access level for issue management entities in the application. In order for the security described in the above sections to be effective, this profile option value should be set to "NULL."

The default value is "Reviewer." If this value is not changed to "NULL" then all users get at least the "Reviewer" access to all entities and the lowest access level effectively becomes "Reviewer."



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## Reports

This chapter covers the following topics:

- Introduction
- Oracle Discoverer Reports
- Internal Controls Manager Reports Library

### Introduction

Oracle Internal Controls Manager provides reports that enable you to periodically verify the accuracy and integrity of the processes and objects that are present in your risk library via Oracle Discoverer. Additionally, Oracle Internal Controls Manager includes a Reports Library which provides Engagement Reports, Sub-Certification Reports, Finding Reports, and Control Deficiency Reports.

### Oracle Discoverer Reports

The Oracle Discoverer reports are available as Discoverer workbooks. The initial seeded workbooks contain default parameters and Discoverer prompts the user during the execution of the report query for the parameters that are needed.

You may change the results and parameters for the workbooks depending on your custom requirements.

### Risks With No Controls Report

This report provides details on risks that have no mitigating controls. As an example, you may have a risk that revenue will be released from deferred to regular revenue when contingencies still exist on the revenue. The contingency in this case might be that the customer has the right to return a product for which they have been invoiced if the product fails installation and configuration testing.

Discoverer Workbook Name: AMW Control Reports

Folder Name: Risks with no Controls

Seeded Query: The seeded query will retrieve all risks for which no controls have been associated.

#### **Report parameters and search results**

The report has the following default parameters:

- Associated Process Name
- Risk Name
- Risk Description

The default columns of the report are shown below:

- Risk Type
- Risk Name
- Risk Description
- Likelihood
- Impact

The query results are shown in a tabular format with data displayed for the above columns.

## **Controls Without Audit Procedures Report**

It is important to know the controls that have no audit steps assigned to test them. The previous example listed a potentially risky situation where a revenue would be reclassified from deferred revenue to regular revenue when contingencies affecting it still existed.

This risk can be mitigated by a control. An example of such a control would be that journal entries that have credits to a deferred revenue account must be routed through the legal department for review before approval for reclassifying it is granted. The control however will be ineffective if all requests for such review are delegated to administrative staff without professional oversight. It is therefore critical that all controls be periodically tested with appropriate audit procedures.

Discoverer Workbook Name: AMW Control Reports

Folder Name: Controls without Audit Procedures

Seeded Query: This query will retrieve all the Controls for which no associated Audit Procedures exist.

Report parameters and search results



The report has the following default parameters:

- Risk Name
- Risk Description
- Control Name
- Control Description

The default columns of the report are shown below:

- Risk Type
- Risk Name
- Risk Description
- Impact
- Likelihood
- Control Type
- Control Name
- Control Description

The query results are shown in a tabular format with data displayed for the above columns

## **Controls With No Risks Report**

This report lists controls with no risks. For example, you may have a control that the signature of a manager must be on a printed requisition. This control may have been superseded with Workflow approval of the web based requisition. The control is therefore no longer associated with any risk or process.

Discoverer Workbook Name: AMW Control Reports

Folder Name: Controls with no Risks

Seeded Query: This query will retrieve all the Controls for which there are no associated Risks

Report parameters and search results

The report has the following default parameters:

- Control Name
- Control Description

The default columns of the report are shown below:

- Control Type
- Control Name
- Control Description

The query results are shown in a tabular format with data displayed for the above columns.

## Risk Control Matrix

It is extremely useful to view a single report in matrix form with all the following details:

- The business process
- The risks that the business process is exposed to
- The controls that are used to mitigate the risk
- The procedure for testing the effectiveness of the control

As an example, consider the typical sales process in an organization. One of the risks that the sales process is exposed to is that recorded sales are for shipments actually made to non-fictitious customers such as sales transactions in the process are invalid. There could be several controls associated with this risk. For example:

- Recording of sales is supported by authorized shipping documents and approved customer orders
- Monthly statements are sent to customers and complaints receive an independent follow up

Procedures to test the effectiveness of the above controls will include the following:

- Examine records of sales invoices for supporting bills of lading and customer orders
- Examining customer correspondence files

This report provides an auditor, internal or external, the ability to view all of the above details in a single page.

Discoverer Workbook Name: AMW Control Reports

Folder Name: Risk Control Matrix

Seeded Query: This seeded query will retrieve the process, the risks the process is exposed to, mitigating controls for the risks, and the audit procedures associated with the controls.

Report parameters and search results

The report has the following default parameters:

- Process Name
- Risk Name
- Risk Description
- Control Name
- Control Description

The default columns of the report are shown below:

- Process Name
- Risk Type
- Risk Name
- Risk Description
- Control Name
- Control Description
- Control Type
- Procedure Name
- Procedure Description
- Physical Evidence Produced

The query results are shown in a tabular format with data displayed for the above columns.

## **Business Process Summary Report**

This report shows the detailed view of a parent process. You can choose to view a specific number of levels in the hierarchy below the parent process. For example, you may wish to report on the Order to Cash process, its child processes, and grandchild processes.

Discoverer Workbook Name: AMW Control Reports

Folder Name: Business Process Summary

Seeded Query: This seeded query will retrieve the summary of a process with the

attributes shown below.

Report parameters and search results

The report has the following default parameters:

- Parent Process Name

The default columns of the report are shown below:

- Parent Process
- Child Process
- Child Process Item Type

The query results are shown in a tabular format with data displayed for the above columns.

## Process Organization Summary Report

This report provides information on the organization to which a process is associated.

Discoverer Workbook Name: AMW Control Reports

Folder Name: Organization Summary

Seeded Query: This seeded query will retrieve details on the organization associated with a process.

Report parameters and search results

The report has the following default parameters:

- Process Name

The default columns of the report are shown below:

- Process Name
- Organization Name
- Process Owner
- Certification Status
- Approval Status
- Last Audit Status
- Last Audit Date
- Next Audit Date

The query results are shown in a tabular format with data displayed for the above columns.

## **Audit Procedures Summary Report**

This report provides details on audit procedures associated with a particular process, risk, or control.

Discoverer Workbook Name: AMW Control Reports

Folder Name: Audit Procedure Reports

Seeded Query: This seeded query will retrieve a summary of the audit procedures associated with a process.

Report parameters and search results

The report has the following default parameters:

- Process Name
- Risk Name
- Risk Description

The default columns of the report are shown below:

- Process Name
- Risk Name
- Risk Description
- Control Name
- Control Description
- Audit Procedure Name
- Audit Procedure Description
- Date Last Executed

The query results are shown in a tabular format with data displayed for the above columns.

# Internal Controls Manager Reports Library

## Audit Procedures

This report shows a list of audit procedures to be executed for an audit engagement. The main purpose is to show execution status of this list of audit procedures. Organization, Status, Executed On, and Executed By will be shown. Users can choose to view a subset of the data using different parameters. The key control parameter will help the user to search for the audit procedures which test the key controls only.

The report has the following default parameters:

- Audit Engagement
- Key Control or Not

The fields of the report are shown below:

- Engagement
- Key Control
- Format

## Audit Procedure Details

This report shows details on a list of audit procedures for one audit engagement. Apart from the Organization, Status, Executed On, and Executed By, steps for each audit procedure will also be shown. Users can choose to view a subset of the data using the following parameters. The key control parameter will help the user to search for the audit procedures which test the key controls only.

The report has the following default parameters:

- Audit Engagement
- Key Control or Not

The fields of the report are shown below:

- Engagement
- Key Control
- Format

## Risk Details

This report shows details of risk evaluations in all engagements. Risk Attributes, Mitigating controls, Evaluation History, Findings and Remediation related to these risks in various engagements are shown. Users can limit the scope of report by different parameters. The materiality parameter will let user search for only those risks which have material impact on the Financial Statement.

The report has the following default parameters:

- From and To Date
- Organization
- Process
- Risk
- Material Risks or Not

The fields of the report are shown below:

- From Date
- To Date
- Organization
- Material Risk
- Process
- Risk

## Organizations and Processes Certified with Issues

This report shows control deficiencies for one particular sub certification. It includes Organization Certification and Last Evaluation, Processes Certified with Issues, Unmitigated Risks, Ineffective Controls, Risks without Controls, Risks and Controls not evaluated and Findings. Users can use the parameters to show a subset of data that is of interest to them, such as showing only Key Controls that are ineffective for the sub certification. The 'Include Organization With issues' parameter will help the user to search for sub certification results for only those organization which has reported issues.

The report has the following default parameters:

- Process Certification (Mandatory)

- From Date and To Date
- Organization (All or One)
- Significant Process or not
- Material Risk or not
- Key Control or not
- Include Controls
- Include Risks
- Include Only Orgs Certifies with Issues (This criteria should be enabled only if the user selects 'All' for Organization Criteria)

The fields of the report are shown below:

- Certification
- Significant Process
- Organization
- Key Control
- Include Organizations with Issues
- Material Risk

## Organization Process Documentation

This report shows process documentation details of a chosen organization. Details include attributes, organizations in the hierarchy, linked processes, risks, controls, and attachments. It also provides the history of certifications.

The report has the following default parameters:

- Organization
- Significant Processes or Not
- Material Risk or Not
- Key Control or Not
- Show Processes



- Risks and Controls
- Form /To dates

The fields of the report are shown below:

- Organization
- Key Control
- From Date
- To Date
- Significant Process
- Material Risk

## **Business Process**

This report shows details of any chosen business processes. Details include attributes, 1st level sub processes, linked risks and controls, and attachments. It also provides a list of open findings, issues and certification history.

The report has the following default parameters:

- Organization
- Process
- Material Risk or Not
- Key Control or Not
- Control Frequency
- Show Processes
- Risks and Controls

The fields of the report are shown below:

- Organization
- Process
- From Date
- To Date

- Key Control
- Material Risk

## Organization Certification

This report shows all the certification status and evaluation history of all organizations and its 1st level sub organization in the HR organization hierarchy in a specific certification. Findings, remediation, and issues related to the chosen organization are also presented. Users can choose to further limit the data shown by selecting different parameters. The report has the default parameter From and To Date.

The fields of the report are shown below:

- Certification
- Start Date
- End Date
- Format

## Financial Statement Certification

This report shows the evaluation status of significant accounts, namely Not Evaluated, Ineffective, and Effective in a specific certification. It also provides details on each of these significant accounts, such as related findings. As a part of defining a 'financial statement certification', the parameters of certification name, financial statement, business process certification, period of statement, target completion date and owner need to be filled in. The list of statements is the list of all FSG statements defined in the Enterprise Business Suite ('EBS'). The details of the certification, such as the target completion date and status can be updated after creation of the certification object and maintained by the certification owner(s). The report has the default parameter Financial Statement Certification.

The fields of the report are shown below:

- Certification
- Format

## Significant Account Assertion

This report shows the assertion setup for each significant account. It consists of a table showing the assertions of each account. The report has the default parameter Account.

The fields of the report are shown below:

- Account
- Format

## Engagement Findings List

This report shows a list of findings within one particular audit engagement. It provides details about finding status, objects to which these findings are linked, and related remediation. Users can choose to further limit the list by selecting different parameters.

The report has the following default parameters:

- Engagement
- Organization
- Standard Process or Not
- Significant Process or Not
- Material Risk or Not
- Key Control or Not

The fields of the report are shown below:

- From Date
- To Date
- Engagement
- Risk
- Organization
- Control
- Process
- Format

## Engagement Findings Details

This report shows details on a limited list of findings within one particular audit engagement. It provides details on finding attributes, objects to which these findings are linked, and related remediation. Users can choose to limit the list by selecting different finding attributes.

The report has the following attributes:

- Engagement
- Finding Number
- Priority
- Status
- Reason
- Assigned To
- Need by Date

The fields of the report are shown below:

- From Date
- To Date
- Engagement
- Risk
- Organization
- Control
- Process
- Format

## Findings Across Engagements

This report shows details on a list of findings for a given period of time. Finding attributes will be shown, along with a list of its mapped objects. Dependency, attachments, and approval workflow will be shown as well. Users can limit the scope of report by choosing different parameters.

The report has the following default parameters:

- From and To Date
- Audit Engagement
- Organization

- Process

The fields of the report are shown below:

- From Date
- To Date
- Organization
- Risk
- Process
- Control
- Format

## Findings List By Type

This report shows a list of findings for a given period of time. Finding status and object relationship will also be shown. Users can limit the scope of report by choosing different parameters.

The report has the following default parameters:

- From and To Date
- Audit Engagement
- Organization
- Process
- Risk
- Control

The fields of the report are shown below:

- From Date
- To Date
- Organization
- Risk
- Process

- Control
- Format

## Engagement Control Deficiencies

This report shows control deficiencies for one particular audit engagement. It includes Ineffective Processes, Unmitigated Risks, Ineffective Controls, Risks without Controls, Controls without Audit Procedures, Risks not evaluated and Control not evaluated, and Findings. Users can use the parameters to show a subset of data of interest to them, such as showing only Key Controls that are ineffective for the engagement.

The report has the following default parameters:

- Audit Engagement (Mandatory)
- From Date and To Date
- Significant Processes or not
- Material Risk or not
- Key Control or not

The fields of the report are shown below:

- Engagement
- Key Control
- Significant Process
- Material Risk
- Format

## Financial Statement Control Deficiencies

This report shows control deficiencies for one particular financial statement certification. It includes Organization with Ineffective Controls, Processes with Ineffective Controls, Unmitigated Risks, Ineffective Controls, Risks without Controls, Controls without Audit Procedures, Risks and Controls that are not evaluated and Findings. Users can use the parameters to show a subset of data of interest to them, such as showing only Key Controls that are ineffective for the financial statement certification.

The report has the following default parameters:

- Financial Statement Certification

- From Date and To Date
- Organization
- Significant Process or not
- Material Risk or not
- Key Control or not

The fields of the report are shown below:

- Certification
- Key Control
- Organization
- Material Risk
- Start Date
- End Date
- Significant Process

## **Significant Account Control Deficiencies**

This report shows control deficiencies for one particular financial statement. It includes significant accounts , Ineffective Processes, Unmitigated Risks, Ineffective Controls, Risks without Controls, Controls without Audit Procedures and Findings. Users can use the parameters to show a subset of data that is of interest to them, such as showing only Key Controls that are ineffective for the significant account.

The report has the following default parameters:

- Statement (Mandatory)
- Statement Item
- From Date and To Date
- Significant Processes or not
- Material Risk or not
- Key Control or not
- Include Process With Control Weaknesses

- Include Unmitigated Risks
- Include Audit Procedure Results

The fields of the report are shown below:

- Statement
- Significant Process
- Account
- Material Risk
- From Date
- To Date
- Key Control
- Format



---

## Extensible Attributes

This chapter covers the following topics:

- Introduction
- Enabled Objects
- Setup of Extensible Attributes
- Recording Extensible Attributes

### Introduction

Users interact with a variety of risk library objects while monitoring ongoing compliance using Oracle Internal Controls Manager. It is necessary and useful to capture and track additional and unique data associated with these objects. The application provides you with this ability in the form of Extensible Attributes.

These are user defined attributes that serve to capture additional information associated with risk library objects. Entries for these attributes can be validated against predefined value sets.

Consider the following examples, all of which relate to creating Extensible Attributes in a particular context:

- When dealing with risk objects, you may want to capture the attribute "Potential Damage" with pre-defined levels.
- When an audit procedure is created, you may want to interpolate an attribute "Level of complexity," again with pre-defined levels. You may also want to provide the originator with a text box to allow free text regarding this dimension.
- When you create a process, you may want to enter its "Jurisdiction."

## Enabled Objects

Oracle Internal Controls Manager provides for extensible attributes linked to the following object groups:

- Risk Library processes
- Organization processes
- Risks
- Controls
- Segregation of Duties Constraints
- Audit Procedures

**Note:** You can also setup Extensible Attributes when creating Sign Off procedures with Audit Engagements. Refer to Sign Off procedures in Audit Engagements, page 8-12.

Attribute values are recorded during the course of evaluating and working with the above objects and can incorporate any aspect of firm execution in these areas.

## Extensible Attributes and Classifications

Oracle Internal Controls Manager uses the "Classification" construct to distinguish the different sets of extensible attributes that can be associated with an object. When an object like an organization process is created with a particular classification, the application automatically logs it as having the extensible attributes associated with that classification and object group.

Consider the following example:

"Enter Orders" is an Organization Processes object with a classification "Ext Attr Org Type 1"

Home	Financial Statements	Audit Operations	Segregation of Duties	Organizations
<a href="#">Organizations</a> > <a href="#">Organization: Vision Corporation</a> > <a href="#">Process Hierarchy Workbench: Vision Corporation</a> >				
<b>Process Details: Enter Orders, Vision Corporation</b>				
Code <b>6</b> Revision Number <b>2</b> Significant <b>Yes</b> Description <b>Enter Orders</b>			Classification <b>Ext Attr Org Type 1</b> Approval Status <b>Draft</b> Standard <b>No</b>	
<div>Printable Page    Update    Go</div>				
<div>Basic Information    Significant Accounts    Risks    Controls    Audit Procedures    Attachments    People    Federal</div>				
<b>Process</b>				
Process Category <b>Routine</b>		Process Type		
Control Activity		Certification Status		
Last Certification Date		Last Audit Status <b>Materially Weak</b>		
Last Audit Date <b>25-FEB-2005</b>				
<b>Organization</b>				
Organization Name <b>Vision Corporation</b>		Subsidiary <b>US Operations</b>		
Type <b>Corporate Headquart</b>		Location <b>New York</b>		
Line of Business <b>PERSONAL COMPUTERS</b>		LOB Description <b>Personal Computers</b>		
<b>Process Significance</b>				
Process Significant Determinants				
Element				
No data exists.				

Extensible Attributes "Govt Sponsor" and "Jurisdiction" can be associated with the "Enter Orders" process in the "Vision Corporation" organization.

Home	Financial Statements	Audit Operations	Segregation of Duties	Organizations
<a href="#">Organizations</a> > <a href="#">Organization: Vision Corporation</a> > <a href="#">Process Hierarchy Workbench: Vision Corporation</a> > <a href="#">Process Details: Enter Orders, Vision Corporation</a> >				
<b>Update Federal</b>				
* Indicates required field				
<div>Cancel    Apply</div>				
<b>Federal Issues</b>				
Govt Sponsor		Jurisdiction		

Completely different Extensible Attributes, for example "Level of Complexity" and "Process Lifecycle Length" can be associated with "Organization Processes" for the classification "Ext Attr Org Type 2."

**Note:** It is important to note the following caveat: once a classification is linked to an object, the classification cannot be changed.

The implementation of Extensible Attributes in Oracle Internal Controls Manager is discussed in the following sections:

- Setup of Extensible Attributes
- Recording Extensible Attributes

## Setup of Extensible Attributes

Before Extensible Attributes can be used in Oracle Internal Controls Manager, they must be set up as described in this section. Note that these setups are undertaken for a

particular object group (like risks, controls, etc) and all Extensible Attributes associated with that group (for a particular classification value) will accordingly display the setups.

It is useful to remember the following order:

Object Group (for example Organization Process)

|

1 or more Classifications

|

1 or more Pages (for each Classification)

|

1 or more Attribute Groups (for each Page)

|

1 or more Attributes (for each Attribute Group)

Perform the following steps to define attributes and attach them to the objects for each object group:

1. Define Value Sets and Values

These need to be set up only if validation is needed for the new attributes.

2. Define Attribute Groups and Attributes. Associate Value Sets to Attributes.

3. Create Classifications for the object group and associate the Attribute Groups to them

4. Define Pages to display the Attribute Groups

## 1. Define Value Sets and Values

Topic	Navigation Path
Define Value Sets	Using the Super User (or equivalent) responsibility, click the Setup tab and then the Value Sets subtab.  Drill down into the Value Sets hyperlink to create the Value Set. You will also define appropriate values from this window.

## 2. Define Attribute Groups and Attributes. Associate Value Sets to Attributes.

It is important to remember that Attribute Groups are created and associated with particular object group like risks, controls, etc. Hence an Attribute Group created for risk objects is not available to control objects.

Topic	Navigation Path
Define Attribute Groups and Attributes.	<p>Using the Super User (or equivalent) responsibility, click the Setup tab and then the Risk Library subtab. Select the Attributes hyperlink for the appropriate object group and then click the Create button.</p> <p>Once the basic information is entered, you can create attributes for the group. Each of the attributes created can be linked to a value set defined in step 1.</p>

The following table provides further information on select fields in the Create Attribute Groups page.

Name	Description
Multi-Row	<p>An attribute group can be multi-row or single-row. Multi-row attribute groups enable you to associate multiple sets of attribute values with the same object instance.</p> <p>For example, if "Exposure" was a multi-row attribute, then you can associate multiple "Exposure levels" with the attribute. For Single Row attribute groups, you can enter only one value for each attribute.</p>
View Privilege	<p>You can restrict access to the attributes in the attribute group to a specific role. Users must then have a view privilege for any object to which this attribute group is associated. You can thus narrow viewing privileges to meet the needs of your enterprise.</p> <p><b>Note:</b> For more information, refer to the Oracle Advanced Product Catalog User Guide.</p>

Name	Description
Edit Privilege	You can similarly restrict update capability on the attributes in the attribute group to a specific role.  <b>Note:</b> For more information, refer to the Oracle Advanced Product Catalog User Guide.

#### Generate Database View button

Third-party systems integrators can easily generate a database view of existing attributes and attribute groups. These views are particularly useful when users wish to read the catalog data as they write code for integration with the Advanced Product Catalog product.

To generate database views, on the Search: Attribute Groups page, select the attribute groups for which you wish to generate the view and click Generate Database View.

### 3. Create Classifications for the Object Group and Associate the Attribute Groups to them

Topic	Navigation Path
Create Classifications and associate Attribute Groups to the object classification	<p>Using the Super User (or equivalent) responsibility, click the Setup tab and then the Risk Library subtab.</p> <p>Select the Classification hyperlink associated with the object group for which attributes have been setup (described in point 2 above) and click the Create button.</p> <p>Once the classification is created, you can drill into its details to add the Attribute Group created in point 2 above.</p>

### 4. Define Pages to display the Attribute Groups

Topic	Navigation Path
Finding Type details	<p>Drill into the appropriate Classification as described in 3. above and then click on the Pages subtab.</p> <p>Finally, click on the Create Page hyperlink and then the "Add Another Row" button to associate one or more Attribute Groups to the page.</p>

**Note:** Creating Attributes and attaching them to Extensible Attributes uses functionality originally devised in the Oracle Product Lifecycle Management module.

If you need further information on creating Value Sets, Attribute Groups, and Attributes, refer to the following sections in the Oracle Advanced Product Catalog Implementation Guide:

- Chapter 4: Change Management Administration
- Chapter 7: Attributes and Function Administration

## Recording Extensible Attributes

You can record extensible attributes in conjunction with any of the objects listed in the section Extensible Attribute Enabled Objects.

1. When creating/updating the object, enter the Classification.

The screenshot shows the 'Update Process: Campaign to Cash, Sales 1004' form. The 'Basic Information' tab is active. The 'Process Name' is 'Campaign to Cash' and the 'Process Code' is '15'. The 'Revision Number' is '2'. The 'Process Type' is 'Process' and the 'Category' is 'Routine'. The 'Next Audit Date' is empty, with a hint '(example: 17-May-2005)'. The 'Significant Process' is 'No'. The 'Classification' dropdown is open, showing 'Ext Attr Org Type 1' and 'Complex Processes'.

2. The page associated with that classification and object group is now available as a subtab based on the same name used to create it.

Enter values for the Extensible Attributes by updating the page. Entries can be selected using values seeded for the associated value sets (if any).

Home	Financial Statements	Audit Operations	Segregation of Duties	Organizations
Organizations > Organization: Sales 1004 > Process Hierarchy Workbench: Sales 1004 >				
<b>Process Details: Campaign to Cash, Sales 1004</b>				
Code <b>15</b> Revision Number <b>2</b> Significant <b>No</b> Description <b>Campaign to Cash</b>			Printable Page    Update    Go Classification <b>Ext Attr Org Type 1</b> Approval Status <b>Draft</b> Standard <b>Yes</b>	
Basic Information	Significant Accounts	Risks	Controls	Audit Procedures
Attachments	People	Federal		
<b>Federal</b>				
Update				
Federal Issues				
Govt Sponsor			Jurisdiction	



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## Roles and Privileges in Oracle Internal Controls Manager

This chapter covers the following topics:

- Introduction to Security in Oracle Internal Controls Manager
- Data Security Details

### Introduction to Security in Oracle Internal Controls Manager

Security in the application is implemented through both

- Function Security
- Data Security

### Function Security

The Oracle E-Business Suite architecture often aggregates several related business functions into a single window. These functions take the form of menus, buttons, views, etc. Since all users should not have access to every business function in a screen or menu path, the architecture provides the ability to identify pieces of application logic as individual functions.

When part of an application's functionality is identified as a function, it can be secured (included or excluded from a responsibility). Application developers register functions when they develop the application windows. The E-Business Suite system administrator administers function security by creating responsibilities and menu structures that include or exclude particular functions. Oracle Internal Controls Manager provides function security in select windows of the application.

**Note:** For further details, refer to Function Security in Oracle Internal Controls Manager, page 16-1.

## Data Security

In addition to function security, Oracle Internal Controls Manager enables a data security implementation as well.

Data security is at a lower level than function security in that users having access to the same function can view different data sets based on their data access rights. The concept is based on providing access privileges on instances of objects (like processes) to specific users or user groups.

Data secured objects (listed in the next section) in the Oracle Internal Controls Manager security architecture have privileges associated with them. For example, a user may be granted privileges like "View Process" and "Approve Process Changes" on a particular "Organization Process" object. This will allow the user to undertake these specific actions on this object to the exclusion of other organization processes.

Since the explicit granting of multiple privileges on each object to users can be overwhelming, the application provides for the granting of privileges to related objects in a cascading manner i.e. through "inherited roles." For example, if a user gets "Update" privileges on a parent process in an organization, then that user also automatically gets the same privileges on its subprocesses in that organization. The data security system also allows you to assign privileges to groups of users instead of assigning privileges to each user individually.

**Note:** To use Roles and Privileges in the application, the profile option AMW: Implement Data Security must be set to "Yes."

### Roles

Privileges can be grouped together into an assigned "Role." Oracle Internal Controls Manager seeds a variety of roles corresponding to the object. Roles may be assigned to individuals from the "People" tab in the details of the appropriate Oracle Internal Controls Manager object.

## Data Security Details

### Prerequisite

To enable roles and privileges on application objects, the profile option AMW: Implement Data Security must be set to "Yes" at the site level.

For a few select users, this profile value can be overridden by setting it to "No" at the user level. These users will have access to all objects and privileges and will effectively be "super user." All other users can only access objects based on their roles and privileges.

Oracle Internal Controls Manager super users grant different privileges to different

users using the "People" subtab update button.

The application provides data security on the following objects:

1. Organizations
2. Organization Processes
3. Processes in the Risks Library
4. Audit Engagements

Roles and privileges on these objects are described in the following sections.

# Organizations

Topic	Navigation Path
Implement Organization Security	Using the OICM Super User (or equivalent) responsibility, navigate to the Organizations tab.  Drill into the details of the appropriate organization to access the People subtab.

You can add and/or modify roles in this window.

Home Financial Statements Audit Operations Segregation of Duties **Organizations** Risk Li

Organizations > Organization: Vision Corporation >

**Update People**

\* Indicates required field

Select People: Delete

Select All | Select None

Select Role	Type	*Name	*Start Date	End Date
<input type="checkbox"/> Organization Manager	Person	Jonathan Smith	15-Feb-2005	
<input type="checkbox"/> Organization Details Viewer	Person	BrKen FishMato	15-Feb-2005	
<input type="checkbox"/> <span>▼</span>	Person		13-May-2005	

Add

TIP

- Organization Auditor
- Organization Change Approver
- Organization Details Viewer
- Organization Manager

Cancel Apply

Four roles are available to access organizations

1. Organization Change Approver
2. Organization Details Viewer
3. Organization Manager
4. Organization Auditor

The following table lists the privileges available to these roles:

Privileges	Details	Organization Manager Role	Organization Change Approver Role	Organization Details Viewer Role	Organization Auditor
View Organization Details	Get org in search result, view org details, view all subtabs	X	X	X	
Modify Organization Risks	Modify entity risk associations in an organization	X			
Modify Organization Controls	Modify entity control associations in an organization	X			
Modify Organization Attachments	Modify attachments to an organization	X			
Modify People	Give grant to people	X			
Modify Organization Audit Procedures	Modify entity AP in an organization	X			
Certify Organization s	NA	X			
Audit Organization s	NA	X			X

Privileges	Details	Organization Manager Role	Organization Change Approver Role	Organization Details Viewer Role	Organization Auditor
Approve Organization Changes	When you change a process in the organization, the person with this privilege gets to approve the change	X	X		

## Notes

- The Organization Manager inherits the following roles on objects in the application:
  - Process Owner role on All Processes
  - Risk Viewer role, Control Viewer role, Audit Procedure Viewer role on the respective objects
- The Organization manager gets ownership on all organizations in the downward hierarchy of the organization
- The person who creates an organization automatically obtains the Organization Manager role
- The Organization Auditor role is granted to all users by default. However, only users with Internal Auditor responsibility will have appropriate access to organizations.

## Organization Processes

Topic	Navigation Path
Implement Organization Process Security	<p>Using the OICM Super User (or equivalent) responsibility, navigate to the Organizations tab and into the details of the appropriate organization.</p> <p>In this organization, drill down into the process being setup to access the People subtab.</p>

Five roles are available to access organizations, and the following table lists the privileges available to these roles:

Privileges	Details	Organization Process Owner	Organization Process Reviewer	Organization Process Change Approver	Organization Process Finance Owner	Organization Application Owner
View Approved Process	View process in approved hierarchy. view approved process details.	X	X	X	X	X
Update Process	Go to latest hierarchy for any process, view details of process from latest hierarchy, update process button, update process attributes only	X		X	X	X

Privileges	Details	Organizati on Process Owner	Organizati on Process Reviewer	Organizati on Process Change Approver	Organizati on Process Finance Owner	Organizati on Applicatio n Owner
Update process-risk association	Update process-risk association	X		X	X	X
Update process-risk-control association	Update process-risk-control association	X		X	X	X
Update key account association	Update key account association	X		X	X	X
Update objective association	Update objective association	X		X	X	X
Attach audit procedures from control details or vice versa	Audit Procedure Addition to a Process	X		X	X	X
Add people to Process	Grant Role to People	X		X	X	X
Approve Process Changes	Approve Process Changes	X		X	X	X
Certify Organization Process	Certify Organization process	x			X	X

**Notes:**

- All five roles can view details of risks, controls, and audit procedures associated to the process
- If a user is granted a role on a process, then that user is also granted the same role on all its children
- The user who creates an organization process (associates the process to the organization), automatically gets the "Organization Process Owner" role on that process

**Risk Library Processes**

Topic	Navigation Path
Implement Security on Risk Library Processes	Using the OICM Super User (or equivalent) responsibility, navigate to the Risk Library tab and the Processes subtab.  Drill into the details of the appropriate process to access the People subtab.

Five roles are available to access risk library process objects and the following table lists the privileges available to those roles:

Privileges	Details	Risk Library Process Owner	Risk Library Process Reviewer	Risk Library Process Change Approver	Risk Library Process Finance Owner	Risk Library Process Application Owner
View Approved Process	View process in approved hierarchy. view approved process details.	X	X	X	X	X



Privileges	Details	Risk Library Process Owner	Risk Library Process Reviewer	Risk Library Process Change Approver	Risk Library Process Finance Owner	Risk Library Process Application Owner
Update Process	Go to latest hierarchy for any process, view details of process from latest hierarchy, update process button, update process attributes only	X		X	X	X
Update process-risk association	Update process-risk association	X		X	X	X
Update process-risk control association	Update process-risk control association	X		X	X	X
Update key account association	Update key account association	X		X	X	X
Update objective association	Update objective association	X		X	X	X

Privileges	Details	Risk Library Process Owner	Risk Library Process Reviewer	Risk Library Process Change Approver	Risk Library Process Finance Owner	Risk Library Process Application Owner
Attach audit procedures from control details or vice versa	Audit Procedure Addition to a Process	X		X	X	X
Add people to Process	Grant Role to People	X		X	X	X
Approve Process Changes	Approve Process Changes	X		X	X	X

#### Notes:

- All five roles can view details of risks, controls, and audit procedures associated to the process
- If a user is granted a role on a process, then that user is also granted the same role on all its children
- The user who creates a risk library process, automatically gets the "Process Owner" role on that process.

## Audit Engagements

Topic	Navigation Path
Implement Security on Risk Library Processes	Using the Internal Auditor (or equivalent) responsibility, navigate to the Audit Operations tab and the Engagements subtab.  Drill into the details of the appropriate Audit Engagement to access the People subtab.

Five roles are available to access audit engagement objects and the following table lists the privileges available to those roles:

Privileges	Details	Engagement Manager	Engagement Approver	Engagement Reviewer	Engagement Auditor
View Scope	View Scope	X	X	x	x
Add / Remove Subsidiary / LOB / Organization, Manage Included Processes	Update Scope	x			
View Audit Tasks	View Audit Tasks	x	x	x	x
Update Task Info	Add / Copy / Move Audit Procedures to Task, Remove Audit Procedures from Task, Create / Update Audit Procedures in engagement	x			x
View Audit Procedures Execution Details	View Audit Procedures Execution Details (and the associated controls)	x	x	x	x

Privileges	Details	Engagement Manager	Engagement Approver	Engagement Reviewer	Engagement Auditor
Execute Audit Procedures	Execute Audit Procedures and Audit Procedures step, Evaluate Control in Audit Procedures context	x			x
View Controls	View Controls (and the associated Risks and Audit Procedures)	x	x	x	x
Evaluate Controls	Evaluate Controls	x			x
View Risks	View Risks (and the associated Controls and Processes)	x	x	x	x
Evaluate Risks	Evaluate Risks	x			x
View Processes	View Processes	x	x	x	x
Evaluate Processes	Evaluate Processes	x			x
View Organizations	View Organizations	x	x	x	x
Evaluate Organizations	Evaluate Organizations	x			x

Privileges	Details	Engagement Manager	Engagement Approver	Engagement Reviewer	Engagement Auditor
View Findings	View Findings (for Organization / Process / Risk / Control / AP)	x	x	x	x
Update Findings	Update Findings (for Organization / Process / Risk / Control / Audit Procedures)	x			x
View Persons	View Persons	x	x	x	x
Update Persons	Update Persons	x			
Sign Off	Sign Off		x		
View Audit Objectives	View Audit Objectives	x	x	x	x
Update Audit Objectives	Update Audit Objectives	x			
View Engagement settings	View Engagement settings	x	x	x	x
Update Engagement settings	Update Engagement settings	x			



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## Function Security in Oracle Internal Controls Manager

This chapter covers the following topics:

- Introduction
- Processes in Oracle Internal Controls Manager
- Controls in Oracle Internal Controls Manager
- Audit Procedures in Oracle Internal Controls Manager
- Risks in Oracle Internal Controls Manager
- Audit Project Evaluations in Oracle Internal Controls Manager
- Process Certifications in Oracle Internal Controls Manager
- Financial Statement Certifications in Oracle Internal Controls Manager
- Issue Management in Oracle Internal Controls Manager

### Introduction

The Oracle E-Business Suite architecture often aggregates several related business functions into a single window. Since all users should not have access to every business function in a screen or menu path, the architecture provides the ability to identify pieces of application logic as functions.

When part of an application's functionality is identified as a function, it can be secured (included or excluded from a responsibility). Application developers register functions when they develop the application windows. The E-Business Suite system administrator administers function security by creating responsibilities that include or exclude particular functions.

Oracle Internal Controls Manager provides function security in select windows of the application.

**Note:** For a thorough introduction to function security in the Oracle E-Business Suite, refer to the Oracle Applications System Administrator's Guide.

**Note:** Also refer to Roles and Privileges in Oracle Internal Controls Manager, page 15-1

The following tables provide detailed information on the security functions available within the various domains of Oracle Internal Controls Manager.

## Processes in Oracle Internal Controls Manager

User Function name	Function Code Value	Description	Menu Path to Access the Function
AMW Auto-Approve Process During Org Association		Controls the behavior of whether the process is automatically approved during the organization association	
AMW Process Details	AMW_PROCESS_DE TAILS	View Process Details	Using the Internal Controls Manager Super User (or equivalent) responsibility, click the Risk Library tab and then the Processes subtab. The function corresponds to the detailed view of a process.  If you log in using a Business Process Owner responsibility, you can also access process details via the Organizations tab.



User Function name	Function Code Value	Description	Menu Path to Access the Function
AMW Allow Process Creation	AMW_ALLOW_PROCESS_CREATION	Allow Process Creation	<p>Under the Risk Library &gt; Processes subtab, the function corresponds to the Convert Tutor Document button. However, if the function is not available to a responsibility, the application will also prevent the user from using WebAdi to create processes.</p> <p>Note that creating and importing process from Oracle Workflow must be secured in the workflow module.</p>
AMW Allow Process Update	AMW_ALLOW_PROCESS_UPDATE	Allow Process Update	<p>Using an appropriate responsibility, click the Risk Library tab and drill down into the details of the applicable process. The function corresponds to the Update button in this view. It also controls the association and disassociation of processes in an Organization context.</p>
AMW Enable Business Unit Certification	AMW_ENABLE_BUSIUNIT_CERTIFIER	Provides access to the My Organizations subtab.	<p>Using an appropriate responsibility, click the Risk Library tab and drill down into the details of the applicable process.</p>

User Function name	Function Code Value	Description	Menu Path to Access the Function
AMW Control name is required		Determines whether the control is required during the control creation	
AMW Control Name Prefix		Generates the control name when no control name is provided. This along with a running sequence number will determine the control name	
AMW Default Transactional Currency		Determines whether the system displays the currency for the material value of a risk.	
AMW Debug Level		Internal use. Customers should not be changing this.	
AMW Debug Mode		Internal use. Customers should not be changing this.	
AMW Directory Name for Saving WFT Files		Obsolete profile starting AMW.D	
AMW Display Already Imported Financial Statements		Not used	
AMW Display Natural Account Value with Key Account Name		Displays the natural account name and the account number in the financial items when set to Yes	

User Function name	Function Code Value	Description	Menu Path to Access the Function
AMW Display Option for Showing Account Assertion		Controls the display of control assertions in the Financial items tab with either image or text	
AMW Display option for threshold values		Determines how the values for certifications and evaluation numbers display	
AMW Enable Report Log		Enables the report log when generating reports	
AMW Migrate Audit Project AP Attachments		Internal profile. This should not be changed.	
AMW Secure Process Synchronization	AMW_PROCESS_SY NC_ALLOW	Enable Secure Process Synchronization privilege	Using an appropriate responsibility, click the Risk Library tab and drill down into the details of the applicable process. The function corresponds to the Synchronize button in this view.

## Controls in Oracle Internal Controls Manager

User Function name	Function Code Value	Description	Menu Path to Access the Function
AMW Create/Update/Delete	AMW_CR_UPD_DEL _CTRL_RESP	Allow create, update and delete privilege for controls	<p>Using the Internal Controls Manager Super User (or equivalent) responsibility, click the Risk Library tab and then the Controls subtab.</p> <p>The function corresponds to the create button as well as the update and delete icons.</p>
AMW Associate Control	AMW_ASSOC_CTRL	Enable associate control privilege	<p>Under the Risk Library &gt; Controls subtab, drill into the appropriate Control and then click on the Risks hyperlink.</p> <p>The function corresponds to the Add button in both Risks AND Audit Procedures sections.</p>

## Audit Procedures in Oracle Internal Controls Manager

User Function name	Function Code Value	Description	Menu Path to Access the Function
AMW Create Procedure Page	AMW_CREATE_PROCEDURE	Enable creation of audit procedures	<p>Using the Internal Controls Manager Super User (or equivalent) responsibility, click the Risk Library tab and then the Audit Procedures subtab.</p> <p>The function corresponds to the create button in this view.</p>
AMW Procedure Details Page	AMW_PROCEDURE_DETAILS	View audit procedures	<p>The function corresponds to the detailed view of an audit procedure.</p>

## Risks in Oracle Internal Controls Manager

User Function name	Function Code Value	Description	Menu Path to Access the Function
AMW Allow Create/Update Risk	AMW_RISK_CREATE_ALLOW	Enable creation of Risks	<p>Using the Internal Controls Manager Super User (or equivalent) responsibility, click the Risk Library tab and then the Risks subtab.</p> <p>The function corresponds to the create button in this view.</p>

User Function name	Function Code Value	Description	Menu Path to Access the Function
AMW Allow Associate Risk to Process	AMW_RISK_ASSOC_ALLOW	Enable association of risks to process	In the Risk Library, drill down under the Risks subtab to the detailed view of a Risk. Then click on the Processes hyperlink. The function corresponds to the Add button in this view (used to associate the risk to a process).

## Audit Project Evaluations in Oracle Internal Controls Manager

User Function name	Function Code Value	Description	Menu Path to Access the Function
AMW Opinions Evaluate Organization	AMW_OPINIONS_EVALUATE_ORG	Evaluate an Organization in the Project context	<p>Using the Internal Auditor (or equivalent) responsibility, click the Audits tab and then the Projects subtab.</p> <p>Drilldown into the appropriate project and select the Organizations and Processes hyperlink. The function corresponds to the Evaluate icon for the relevant organization.</p>

User Function name	Function Code Value	Description	Menu Path to Access the Function
AMW Opinions Evaluate Process	AMW_OPINIONS_E VALUATE_PROC	Evaluate a Process in the Project context	Under the Audits > Projects subtab, drill down into the appropriate project and select the Organizations and Processes hyperlink. The function corresponds to the Evaluate icon for the relevant process.
AMW Opinions Evaluate Risk	AMW_OPINIONS_E VALUATE_RISK	Evaluate a Risk in the Project context	Under the Audits > Projects subtab, drill down into the appropriate project and select the Risks hyperlink. The function corresponds to the Evaluate icon for the relevant risk.
AMW Opinions Evaluate Control	AMW_OPINIONS_E VALUATE_CTRL	Evaluate a Control in the Project context	Under the Audits > Projects subtab, drill down into the appropriate project and select the Controls hyperlink. The function corresponds to the Evaluate icon for the relevant control.

User Function name	Function Code Value	Description	Menu Path to Access the Function
AMW Opinions Evaluate Audit Procedure Control	AMW_OPINIONS_E VALUATE_APCTR	Evaluate a Control in the Audit Procedure context	Under the Audits > Projects subtab, drill down into the appropriate project and click the Audit Tasks hyperlink. Next drill down into a task and then click the Current Status hyperlink associated with a procedure.  Finally, click on the Control Evaluations link. The function corresponds to the Update icon within the body of the table.

## Process Certifications in Oracle Internal Controls Manager

User Function name	Function Code Value	Description	Menu Path to Access the Function
AMW Enable Global Process Owner	AMW_ENABLE_GL OBALPROCESS_OW NER	Enables global process owner access privilege i.e. the ability to see all processes.	N/A



User Function name	Function Code Value	Description	Menu Path to Access the Function
AMW Opinions Certify Process	AMW_OPINIONS_C ERTIFY_PROC	Enables process certification privilege after document- ation has been reviewed, is complete, and reflects current practice	Using a Business Process Owner (or equivalent) responsibility, click the Business Process tab and then the Certifications subtab.  Drill into a Certification to access a summary page. The function corresponds to the Certify icon in this view.

Note: To create or update a process certification in the Certification Summary page, BOTH the following security functions must be enabled for the user.

- AMW\_ENABLE\_GLOBALPROCESS\_OWNER
- AMW\_OPINIONS\_CERTIFY\_PROC

The "Send Reminder" button and "Certify" icon will not be displayed if the user does not have the AMW\_OPINIONS\_CERTIFY\_PROC.

## Financial Statement Certifications in Oracle Internal Controls Manager

User function name	Function Code Value	Description	Menu Path to Access the Function
AMW Financial Statement Certification Build	AMW_FINSTMT_CERT_BUILD	Create/Update a Financial Statement Certification	<p>Using the Signing Officer or equivalent responsibility, click the Financial Statements tab and then the Certifications subtab.</p> <p>The function correspond to the Create button as well as the Update button in the detailed view.</p>
AMW Opinions Evaluate Financial Item	AMW_OPINIONS_EVALUATE_FIN_ITEM	Evaluate a Financial Item in the Financial Statement Certification context	<p>In the Financial Statement &gt; Certifications subtab, drill into the details of a Certification and then click the Financial Items hyperlink.</p> <p>The function corresponds to the Evaluate icon for the Financial Item.</p>
AMW Certify Financial Statement	AMW_CERTIFY_FIN_STMT	Certify a Financial Statement in the Financial Statement Certification context	<p>In the Financial Statement &gt; Certifications subtab, drill into the details of a Certification.</p> <p>The function corresponds to the Update button under the General tab (Certification Result).</p>

## Issue Management in Oracle Internal Controls Manager

User function name	Function Code Value	Description	Menu Path to Access the Function
AMW Create Findings	AMW_CREATE_FIN DINGS	Enable the creation of Findings	<p>Findings can be entered in multiple places. Refer to the section Recording Findings in Oracle Internal Controls Manager, page 12-11</p> <p>The function corresponds to the Create button in these views.</p>
AMW Create Issues	AMW_CREATE_ISS UES	Enable the creation of Issues	<p>Using a Business Process Owner (or equivalent) responsibility, click the Business Process tab and then the Certifications subtab.</p> <p>Drill into a Certification to access a summary page and then click on the Issues subtab. The function corresponds to the Create button in this view.</p>

User function name	Function Code Value	Description	Menu Path to Access the Function
AMW Create Correction Requests	AMW_CREATE_CORRECTREQ	Enable the creation of Correction Requests	<p>Using the Internal Auditor (or equivalent) responsibility, click the Audits tab and then the Segregation of Duties Violations subtab. The window shows a detailed listing of violations.</p> <p>Drill down into the Correction Request for a particular constraint violation. The function corresponds to the Create button in this view.</p> <p>Alternatively, you may drilldown into a violation and then click the Correction Requests hyperlink. The function corresponds to the Create button in this view.</p>

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## Introduction to Application Controls Monitoring

This chapter covers the following topics:

- Introduction
- Introduction to Application Controls Monitoring and Governance
- Overview of the Application Controls Monitoring feature
- IT Audit Execution

### Introduction

This chapter provides a broad overview of the Application Controls Monitoring domain and the solution provided by Oracle Internal Controls Manager.

### Introduction to Application Controls Monitoring and Governance

The accuracy and reliability of a firm's business processes and financial reporting are to a great extent dependent on the reliability and functioning of its IT systems and control environment. In the post Sarbanes-Oxley world, companies are increasingly dependent on automatic application controls to ensure compliance with regulatory and company policies. IT is now tasked with ensuring that these controls effectively support the firm's objectives.

To meet the ongoing demands of assessing the IT control environment and minimize the cost of compliance, IT departments need an automated approach for monitoring and testing IT controls. To help them meet these new responsibilities, many IT organizations have adopted the "Control Objectives for Information and related Technology" (CobiT) framework for managing IT related risks and controls.

**Note:** While both COSO and CobiT address controls in the enterprise,

CobiT focuses mainly on IT controls. This distinction translates into differences in the scope of each control framework.

As a result, while COSO control objectives are targeted towards reliable financial reporting and compliance with regulations, CobiT's role targets quality and security requirements.

## **IT Audits and the CobiT Framework**

At its heart, the CobiT framework recognizes a process basis in the deployment and management of IT resources. It correspondingly addresses IT Audits through this process centric lens.

CobiT identifies 34 information technology processes grouped into four domains.

- Planning and Organization
- Acquisition and Implementation
- Delivery and Support
- Monitoring

This classification presents a firm's IT activities in a manageable and logical structure.

All processes are subject to risk. Due to the pervasive nature of IT in most organizations, the management of IT related processes and risks is a critical part of enterprise risk management. IT Auditors therefore identify the risks associated with those process and the possible effect they might have on the enterprise.

IT controls (control procedures within a particular IT activity) are designed to mitigate the risks from execution of the IT related processes. The CobiT framework therefore continues with a set of 34 high level control objectives, one for each of the IT processes. It also furnishes detailed control objectives and audit guidelines to assess the IT processes. By addressing these control objectives, firms can ensure that an adequate control system oversees the IT environment.

## **Overview of the Application Controls Monitoring feature**

The Application Controls Monitoring feature enables companies to effectively and efficiently manage their IT environment by monitoring IT controls within the Oracle E-Business Suite. The application supports a number of high level control objectives within the CobiT framework such as maintaining application software, managing changes, ensuring systems security, and managing configuration.

The Application Controls Monitoring feature is a constituent in the Oracle Internal Controls Manager (OICM) product.

## Application Controls in the Oracle E-Business Suite

The Oracle E-Business Suite offers a comprehensive set of automated application controls in the form of setup parameters. These application controls are critical to the overall control environment because any changes to them can have an adverse effect on the organization's processes including those that influence the reliability and integrity of financial reporting.

### Examples of Application Controls (Setup Parameters):

1. Setup accounts are a good example of these parameters. Several applications require that certain accounts be seeded as part of the implementation of the application.

Consider the Realized Gain and Loss Accounts in Oracle Payables. These accounts must be identified before the application can be used to capture gains and losses on payables transactions. An erroneous change in these accounts could lead to their misclassification and creates the risk of materially understating / overstating gains and losses in financial statements.

2. As another example, consider the Purchasing setup option "Price Tolerance Percentage." A change in this percentage must be visible to process owners as it could affect mandated purchasing guidelines.

Since changes to setup parameters affect the control environment encompassing the firm's business processes, these changes constitute a significant risk to the organization. In addition, the audit trail of application change activity is of increased importance in the light of regulatory requirements.

It is therefore essential that setup changes be monitored and reported. Within the Oracle E-Business Suite, this will involve tracking essential application controls in applications including (but not limited to) Payables, Receivables, Purchasing, and Inventory. Through these applications, Application Controls Monitoring can also track application controls in business flows like Procure to Pay and Order to Cash.

## Application Controls Management using the OICM Application Controls Monitoring feature

Application Controls Monitoring enables IT managers and IT auditors to track changes to application controls in several modules within the Oracle E-Business Suite.

**Note:** For a detailed listing of the specific Applications and Setup Parameters that can be audited for changes, refer to Seeded Setup Groups and Parameters, page 21-1.

Application Controls Monitoring uses an intuitive workbench to provide features and benefits like the following:

## Detailed Information Regarding Setup Changes

Any change that is made to an application control can now be monitored and reported on. Application Controls Monitoring also enables the capture and reporting of related information like who made the change, when it was undertaken and the current and prior value of the setup data. You can also view a detailed change history for the application control.

## Detailed Information About Changes to Profile Options

Any change that is made to a profile option setting is tracked and reported. Recommended values can be setup for profile options and compared with actual settings. You can view the history of changes to profile option values at various levels, and generate a summary or detail report about the changes.

## Information About Supplier Overrides

You can view overrides to control settings at the supplier as well as the supplier site levels. For example, the payment method may be set as "Electronic Funds Transfer" for an organization, but for a specific supplier or supplier site, the payment method may be set as "Check". These overrides are tracked for setup parameters in the Procure to Pay business flow, and are displayed in the Application Controls Monitoring pages.

## Multiple Search Criteria

IT managers can search for changes in application controls using different criteria like application, organization, date range or user. Application Controls Monitoring would then show changes just for that specific entity or period.

In addition, the search criteria can be refined to look for changes in a particular "Reporting Group." A Reporting Group is a user-defined group of setup parameters. For example, the owner of the Procure to Pay process can setup a Reporting Group called "Procure to Pay RG" and track all the setup parameters that are important for this Procure to Pay process. These parameters can then be tracked and analyzed as a group on an ongoing basis.

Similarly, you can also search for changes by date range or GL time period. This is an extremely useful feature as you can now track the changes made to application controls during a specific period like a fiscal quarter or year. SOX rules in the USA require firms to disclose any material changes to internal controls that have made in a reporting period.

Finally, in the case of suspected fraud or erroneous changes to application setups, Application Controls Monitoring also enables an IT manager to identify all changes made by a particular user. Note that all application control changes identify the user who executed the change and when the control was altered.



## **Track Setup Changes Across Multiple Instances**

With Application Controls Monitoring, IT managers can continuously monitor changes to application controls across multiple application instances. This feature is particularly useful in troubleshooting configuration problems as the application allows you to compare controls across instances as well as against user defined standards (see Recommended Control Settings below).

## **Seeding and Comparison with Recommended Control Settings**

Recommended values can be set up in Application Controls Monitoring. This content is typically from audit and risk assurance firms who have repositories of recommended control setting values predicated on industry and firm size.

You can then view and report on the comparison between actual and recommended values for setup data. This information can provide evidence that the intended application controls are in place or whether they need to be investigated further.

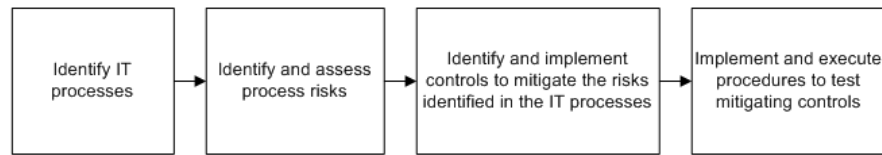
## **Out-of-the-Box Monitoring**

Application Controls Monitoring delivers setup parameters for all key financial modules in the Oracle E-Business Suite, enabling out-of-the-box monitoring of these application controls.

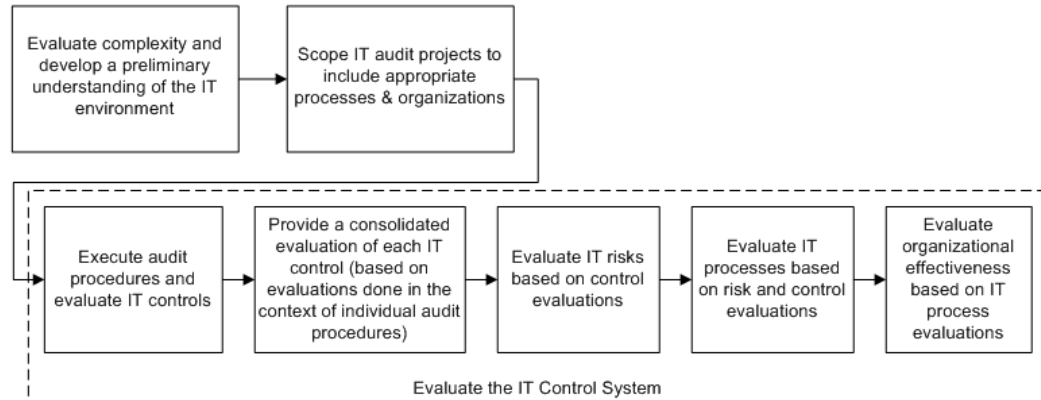
## **IT Audit Execution**

The IT audit domain recognizes the roles of IT managers and auditors in conducting IT Audits. Because of a degree of overlap between the roles, up front and effective work by an IT manager can significantly alleviate the costs of a typical IT audit.

#### IT Manager



#### IT Auditor



The following sections provide a high level overview of the tasks of a typical IT Auditor.

### Evaluate the Complexity of IT Processes

The degree of complexity and a preliminary understanding of the firm's IT system influences the scope of work an IT auditor must undertake. The pervasive presence of computer technology in today's enterprise requires evaluating IT systems to assess the degree of reliability of those systems.

As noted earlier, the CobiT Framework recognizes a process basis to the architecture of IT resources. The framework references most IT controls in the context of business processes.

### Scope the IT Audit Project

The scope of the IT project determines which entities and processes are included in the project and therefore defines the context in which audit procedures are executed. The scope provides boundaries to the execution of the IT audit. Once the scope is resolved, an auditor can finalize the audit procedures that comprise the audit project.

The scoping task involves selecting the entities that will be included in the audit. Entities typically include the companies, lines of businesses within those companies, and finally the processes from organizations belonging to the selected companies and lines of businesses.

## Evaluate the IT Control System

IT audits are generally based on a risk control framework. Auditors identify the risks associated with each business process and the possible effect they might have on the enterprise. Information related risks are typically classified into the following:

- **Business risk:** For example, the overall risk associated with acquiring new hardware and software.
- **Audit Risk:** The risk that an incorrect audit opinion is made.
- **Security Risk:** Risks associated with data access and integrity.
- **Continuity Risks:** Risks associated with the system's availability, backup and successful recovery.

Controls are identified and implemented to mitigate these risks. Audit procedures will test the IT controls to provide the degree of reliability on the firm's IT systems i.e. risks are assessed based on control evaluations.

IT processes are subsequently evaluated based on assessments of these risks and mitigating controls. The CobiT framework provides audit guidelines to enable the review of IT processes against the recommended detailed control objectives. IT auditors are also increasingly involved with substantive testing of the data in financial audits.

Finally, organizational entities are evaluated based on the evaluation of processes within them and an opinion of the IT system is rendered.

## Application Controls Monitoring in the Audit Cycle

IT auditors conduct risk based audits to test the effectiveness of controls over IT processes. The results of the audit form a basis upon which auditors can attest that internal controls are functioning as intended. IT audits are best managed as projects. The IT audit project represents a compilation of audit assignments for the IT system and becomes the central repository of information on the audit.

Application Controls Monitoring is not a tool to track the actual flow/audit of IT processes in the enterprise. The planning and execution of IT audit projects is best undertaken in an environment setup by the Oracle Internal Controls Manager application. Modelling IT audit execution within Oracle Internal Controls Manager is similar to how all risk based audits are executed.

**Note:** For detailed information on the setup, scoping, and execution of projects (IT or any audit project) in Oracle Internal Controls Manager, refer to Audit Engagements, page 8-1.

Within this larger context, Application Controls Monitoring can address IT Process risk in all four domains of the CobiT framework. The Application Controls Management

feature directly mitigates this process risk through managing changes in application software, ensuring systems security, and managing configurations.

An IT manager can use Application Controls Monitoring in the implementation of controls on setup changes while IT auditors can use the module to assess IT risks.

---

## Setup of Application Controls Management

This chapter covers the following topics:

- Introduction
- Definitions
- Application Controls Monitoring Architecture
- Setting Up Application Controls Management
- Note on Processing Business Events

### Introduction

Before Application Controls Monitoring can be used to report on changes in application controls, it must be implemented appropriately.

This chapter provides all the information you need to define and setup the Application Controls Monitoring environment.

### Definitions

The following definitions are important in understanding the architecture of the Application Controls Monitoring feature:

### Source Tables

These are Oracle Applications tables that are used to store setup data. FINANCIALS\_SYSTEM\_PARAMS\_ALL, GI\_SETS\_OF\_BOOKS, AND PO\_SYSTEM\_PARAMETERS\_ALL are examples of Source Tables. Application Controls Monitoring application captures and reports on the changes to data in these tables.

**Note:** For a complete and detailed listing of the Applications and Source Tables that are applicable to the Application Controls

Monitoring feature, refer to Seeded Setup Groups and Parameters, page 21-1.

## Shadow Tables

When the concurrent program "Audit Trail Update Tables" is run, Shadow Tables corresponding to all Source Tables are automatically created in the same Oracle ID as the Source Tables.

Shadow Tables contain primarily the Source Table columns to be audited. However, all columns in a Shadow Table are unconstrained regardless of their status in the original Source Table that is being audited. Shadow Tables also contain certain special auditing columns like Username and Timestamp columns.

**Note:** For detailed information on Shadow Tables, refer to the Oracle Applications System Administrator's Guide.

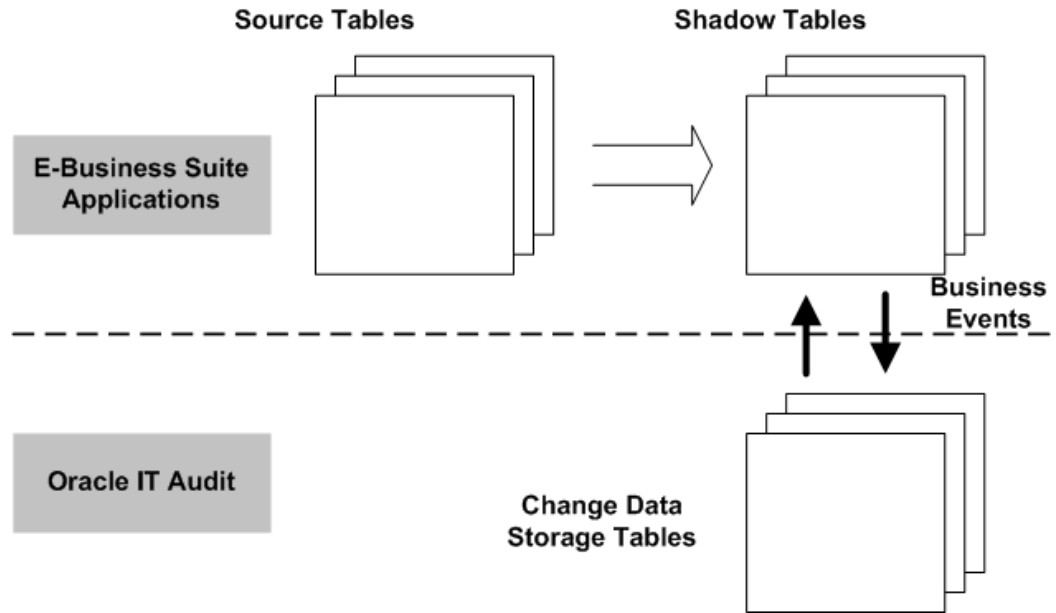
## Change Data

Change Data pertains to data changes in a Source table. It includes the actual values that were changed, the time when it was changed, and who made the change. For update operations, change data will include the old and new values of columns updated.

## Application Controls Monitoring Architecture

The Application Controls Monitoring feature exchanges data with Oracle E-Business suite applications as follows: When setup parameters change, the Setup Change Data is instantly recorded in Shadow Tables and asynchronously transferred to Change Data Storage Tables. The transfer is done using business events that are raised when the audit data is inserted in the Shadow Tables.

Note that while Source and Shadow Tables belong to the owning application, Change Data Storage Tables reside in the Oracle Internal Controls Manager schema. The following diagram depicts this mechanism for the capture and storage of Change Data.



## Processing Business Events on Shadow Tables

As noted above, business events are raised whenever information is inserted in the Shadow Tables. These events are then placed on an event queue and subsequently processed in the same order when the Workflow Agent Listener picks them up.

**Note:** For more information on ensuring that all applicable events identifying setup changes are processed, refer to the Note on Processing Business Events, page 18-14.

## Setting Up Application Controls Management

The following steps must be undertaken to set up Application Controls Monitoring:

- Implement Prerequisite Steps
- Review Setup Groups and Setup Parameters
- Define Reporting Groups
- Import Setup data from Remote Application Instances

## Prerequisites

A successful implementation of Application Controls Monitoring requires the following prerequisites:

**Prerequisite 1**

Run the concurrent program "AuditTrail Update Tables." This concurrent program creates triggers and Shadow tables for each Source table in the audit trail group. The Shadow Tables created will have their name in the following format: "<source table name>\_a."

**Prerequisite 2**

The profile option Audit Trail: Activate needs to be enabled at the site level. This option enables the logging of data within Shadow Tables.

**Prerequisite 3**

The concurrent program to enable setup tracking changes is called "Enable Setup Change Tracking." This program should be run once as a post install step after the "Audit Trail Update Tables" concurrent program completes successfully. To enable profile options monitoring, run the program using the parameter FND\_PROFILE\_OPTION\_VALUES.

**Setup Groups**

A Setup Group is an Application Controls Monitoring entity that maps to a Source Table in Oracle Applications.

Topic	Navigation Path
Viewing seeded Setup Groups in Application Controls Monitoring	Using the IT Auditor (or equivalent) responsibility, click the Setup tab and then the Setup Groups subtab [Setup Groups Window].

Setup Groups represent the source objects that will be audited by Application Controls Monitoring and are currently seeded by Oracle.



Application Controls | **Setup**

**Setup Groups** | Reporting Groups | Instances | Import

Setup Groups

Simple Search

Note that the search is case insensitive

Setup Group Name  Go Clear

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Setup Group	Application	Table	Organization Type
<a href="#">Profile Options</a>		FND_PROFILE_OPTION_VALUES	
<a href="#">Purchasing Options</a>	Purchasing	PO_SYSTEM_PARAMETERS_ALL	Operating Unit
<a href="#">Receivables Options</a>	Receivables	AR_SYSTEM_PARAMETERS_ALL	Operating Unit
<a href="#">Receiving Options</a>	Purchasing	RCV_PARAMETERS	Inventory Organization
<a href="#">Set of Books</a>	General Ledger	GL_SETS_OF_BOOKS	Set of Books
<a href="#">Shipping Parameters</a>	Shipping Execution	WSH_SHIPPING_PARAMETERS	Inventory Organization
<a href="#">Supplier Parameters</a>	Oracle Payables	AP_SUPPLIERS	Operating Unit
<a href="#">Supplier Site Parameters</a>	Oracle Payables	AP_SUPPLIER_SITES_ALL	Operating Unit
<a href="#">Tax Options</a>	E-Business Tax	ZX_PRODUCT_OPTIONS_ALL	Operating Unit
<a href="#">Tax Options</a>	General Ledger	GL_TAX_OPTIONS	Operating Unit

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The only attribute of a Setup Group that can be modified is the Setup Group name. Drill into a Setup Group and click on the Update button to update the name. Note that the name for the Profile Options Setup Group cannot be modified.

Application Controls | **Setup**

**Setup Groups** | Reporting Groups | Instances | Import

Setup: Setup Groups > Setup Group: Purchasing Options >

**Update Setup Group: Purchasing Options**

\* Indicates required field

\* Setup Group Name

Application **Purchasing**

Table **PO\_SYSTEM\_PARAMETERS\_ALL**

Context Column **ORG\_ID**

Organization Type **OPERATING\_UNIT**

Cancel Apply

Cancel Apply

Application Controls Setup Home Logout Preferences Diagnostics

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The following table provides further information on select fields in the Update Setup Group window.

Field	Description	Accessibility Level
Organization Type	<p>Setup tables that are supported by Application Controls Monitoring contain setup data at a particular organization level like operating unit, set of books, or inventory organization.</p> <p>The Organization Type represents the organization level that the setup group is associated with. For example the Setup Group Purchasing Options contains all its parameter values at the operating unit level.</p>	Not updateable
Context Column	The Context Column denotes internally which column in the Source table contains information pertaining to the organization.	Not updateable

**Note:** For a detailed listing of all seeded Setup Groups applicable to Application Controls Monitoring, refer to Seeded Setup Groups and Parameters, page 21-1.

## Setup Parameters

Each Setup Group can have multiple Setup Parameters. Setup Parameters map to specific columns in a Source Table. These are the columns which need to be audited for changes and hence they are the primary items of interest in Application Controls Monitoring.

## Topic

## Navigation Path

Accessing Setup Parameters

Using the IT Auditor (or equivalent) responsibility, click the Setup tab and then the Setup Groups tab [Setup Groups Window].

Drill down into a particular Setup Group to view its Setup Parameters.

Application Controls | Setup

Setup Groups | Reporting Groups | Instances | Import

Setup: Setup Groups >

Setup Group: Purchasing Options

Update

Setup Group Name  
Application  
Table  
Table Description

Purchasing Options  
Purchasing  
PO\_SYSTEM\_PARAMETERS\_ALL  
Purchasing options

Context Parameter  
Organization Type  
Audit Start Date  
Audit End Date

ORG\_ID  
Operating Unit  
26-Apr-2005

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Parameter ▲	Column Name	Select Clause	From Clause	Where Clause	Audit Enabled	Update
<a href="#">ENFORCE_BUYER_AUTHORITY_FLAG</a>	ENFORCE_BUYER_AUTHORITY_FLAG				<input checked="" type="checkbox"/>	
<a href="#">Enforce Buyer Name</a>	ENFORCE_BUYER_NAME_FLAG				<input checked="" type="checkbox"/>	
<a href="#">Enforce Full Lot Quantity</a>	ENFORCE_FULL_LOT_QUANTITIES	select displayed_field	from po_lookup_codes	where lookup_type = 'ENFORCE FULL LOT QUANTITIES' and lookup_code = ':1'	<input checked="" type="checkbox"/>	
<a href="#">Enforce Price Tolerance Amount</a>	ENFORCE_PRICE_CHANGE_AMOUNT				<input checked="" type="checkbox"/>	
<a href="#">Enforce Price Tolerance Percentage</a>	ENFORCE_PRICE_CHANGE_ALLOWANCE				<input checked="" type="checkbox"/>	
<a href="#">Enforce Vendor Hold</a>	ENFORCE_VENDOR_HOLD_FLAG				<input checked="" type="checkbox"/>	
<a href="#">Expense AP Accrual Account</a>	ACCRUED_CODE_COMBINATION_ID	Select concatenated_segments	from gl_code_combinations_kfv	where CODE_COMBINATION_ID = :1	<input checked="" type="checkbox"/>	
<a href="#">GAPLESS_INV_NUM_FLAG</a>	GAPLESS_INV_NUM_FLAG				<input checked="" type="checkbox"/>	
<a href="#">GLOBAL_ATTRIBUTE1</a>	GLOBAL_ATTRIBUTE1				<input checked="" type="checkbox"/>	
<a href="#">GLOBAL_ATTRIBUTE10</a>	GLOBAL_ATTRIBUTE10				<input checked="" type="checkbox"/>	

Previous 10 11-20 Next 10

The seeded Setup Parameter names are user friendly equivalents of the corresponding column names. You may alter these names as required. Currently, with the exception of this name, no other attributes of a Setup Parameter can be changed.

The following table provides further information on select attributes of Setup Parameters.

Field	Description	Accessibility Level
Value Query (Select Clause, From Clause, Where Clause)	<p>Several columns in Source tables store data in the form of codes or numbers. In order to display these meaningfully to a user, they are translated by using the appropriate Value Query.</p> <p>For example ACCRUED_CODE_COMBINATION_ID is simply the ID number of the Expense AP Accrual Account. However, the associated Value Query:</p> <pre>Select concatenated_segments From gl_code_combinations_kfv Where CODE_COMBINATION_ID = :1</pre> <p>displays the complete expense account i.e. all its segments. A user can now more easily note the change in this setup parameter. Value Queries cannot be changed at this time.</p>	Not updateable

## Recommended Values for Setup Parameters

Entering a recommended value for a setup parameter allows you to compare it with the current setup value. This is an extremely useful feature as the display of images in a "comparison dashboard" are based on the setup parameter's divergence from its recommended value. The system can also import recommended values from an Excel spreadsheet.

Application Controls

Setup

Reporting Group | Application | User | Instance

Application Controls History by Reporting Group

\* Indicates required field

Show Search Criteria

Report Type

Summary

Get Report

Previous

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Next 10

Details	Setup Group	Parameter	Context		Value			Last Updated On	Last Updated By	
			Type	Name	Current	Recommended	Prior Current			
Show	Receivables Options	Invoices Per Commit	Operating Unit		500		x	500	14-Jul-2004 10:17:00	HEALTH
Show	Receivables Options	Invoices Per Commit	Operating Unit	810-Australasia Lic (Korn)-4801130234871	500		x	x 100	26-Oct-2005 03:05:14	DBI
Show	Receivables Options	Invoices Per Commit	Operating Unit	CPS PSA Accrual KI (2 OU's, 1 LE, 1 INV, HR)0	500		x	x 100	08-Feb-2006 21:25:05	KIACCRUALFULLR120
Show	Receivables Options	Invoices Per Commit	Operating Unit	CPS PSA Accrual KI Org1 (2 OU's, 1 LE, 1 INV, HR)0	500		x	x 100	08-Feb-2006 21:27:50	KIACCRUALORG1R120
Show	Receivables Options	Invoices Per Commit	Operating Unit	CPS PSA Accrual KI Org2 (2 OU's, 1 LE, 1 INV, HR)0	500		x	x 100	08-Feb-2006 21:30:12	KIACCRUALORG2R120
Show	Receivables Options	Invoices Per Commit	Operating Unit	CPS PSA Accrual Org (Single OU, LE, INV, HR)0	500		x	x 100	08-Feb-2006 20:51:08	ACCRUALLEDGERR120
Show	Receivables Options	Invoices Per Commit	Operating Unit	CPS PSA Cash Org (Single OU, LE, INV, HR)0	500		x	x 100	08-Feb-2006 21:17:53	CASHLEDGERR120
Show	Receivables Options	Invoices Per Commit	Operating Unit	Chile1	500		x	x 100	20-Oct-2005 05:55:19	CHILE1
Show	Receivables Options	Invoices Per Commit	Operating Unit	China Services	500		x	500	24-Oct-2005 00:13:53	SNIKAM
Show	Receivables Options	Invoices Per Commit	Operating Unit	Costing OU1	500		x	x 100	18-Oct-2005 23:48:10	MFG

Previous

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In the dashboard view, if the current value of a particular Setup Parameter does not equal its recommended value, Application Controls Monitoring displays a red cross next to that value. With this flag, a quick scan of the dashboard can alert a user to the Setup Parameter and instance that must be investigated.

## To Enter a Recommended Value

### Topic

Enter Recommended Values for Setup Parameters

### Navigation Path

Using the IT Auditor (or equivalent) responsibility, click the Setup tab and then the Setup Groups tab [Setup Groups Window].

Drill down into a particular Setup Group to view its Setup Parameters and subsequently drill down into the Setup Parameter in question.

Finally, click on the Recommended Values subtab to enter the appropriate value. Click the Add Recommended Values button to enter new values.

Application Controls | Setup

Setup Groups | Reporting Groups | Instances | Import

Setup: Setup Groups > Setup Group: Financials Options > Parameter: Payment Terms >

Create Recommended Value

\* Indicates required field

Organization: Asia Pacific

\* Recommended Value: 10005

☒ Default Value

Cancel Apply

Except for profile options, specify the recommended value by organization; for profile options you can search for a particular profile by Application and User Profile Name, then set a recommended value for that profile. When you specify a recommended value, you may choose to mark it as a default value. If specified as a default, then the value applies in all organizations except those in which the Setup Parameter already has a recommended value.

**Note:** Entering a recommended value without specifying the organization is equivalent to creating it as a default value.

Entering a recommended value in a particular organization overrides the default value. To change a recommended value in a specific organization, you are required to update the value as opposed to entering a new value for that organization.

## Importing Recommended Values

The system uses WebADI to import recommended values from an Excel spreadsheet.

Topic	Navigation
Importing recommended values	Using the IT Auditor (or equivalent) responsibility, select the Setup tab, then the Import subtab.

Select the Import Recommendations link.

The WebADI interface will take you through a series of pages to launch an Excel spreadsheet with the necessary columns required for upload. Input the values into the spreadsheet, then from the Excel menu, select Oracle Upload to load in the recommend values.

## History

While setting up recommended values for Setup Parameters you may view a history of changes to these values for each organization in the form of the following:

- Current recommended value

- Current value
- Immediately prior value

Application Controls Setup									
Setup Groups   Reporting Groups   Instances   Import									
Setup: Setup Groups > Setup Group: Financials Options >									
Parameter: Payment Terms									
<div> <div>Parameter Name</div> <div>Payment Terms</div> <div> <input checked="" type="checkbox"/> Audit Enabled </div> </div> <div> <div>End Date</div> <div>03-Oct-2006</div> </div> <div> <div>Migrated To</div> <div>Payables System Setup : Payment Terms</div> </div> <div>Update</div>									
Context Information   Controls   Recommended Values   Change History									
<div> <div>Previous 10</div> <div>61-70</div> <div>Next 10</div> </div>									
Details	Instance	Type	Organization	Name	Current	Recommended	Prior	Current	Value
<a href="#">Show</a>	CURRENT	Operating Unit	Vision	Cash – Offset (AC)			x	x	Immediate
<a href="#">Show</a>	CURRENT	Operating Unit	Vision	Cash – Offset (BS)			x	x	
<a href="#">Show</a>	CURRENT	Operating Unit	Vision	Cash – Offset (None)			x	x	
<a href="#">Show</a>	CURRENT	Operating Unit	Vision	Chile			x	x	30 Net (terms date + 30)
<a href="#">Show</a>	CURRENT	Operating Unit	Vision	China			x	x	30 Net (terms date + 30)
<a href="#">Show</a>	CURRENT	Operating Unit	Vision	Columbia			x	x	30 Net (terms date + 30)
<a href="#">Show</a>	CURRENT	Operating Unit	Vision	Common Period (GL-PA)			x	x	
<a href="#">Show</a>	CURRENT	Operating Unit	Vision	Communications (USA)			x	x	45 Net (terms date + 45)
<a href="#">Show</a>	CURRENT	Operating Unit	Vision	Construction			x	x	45 Net (terms date + 45)
<a href="#">Show</a>	CURRENT	Operating Unit	Vision	Corporation			x	x	
<div> <div>Previous 10</div> <div>61-70</div> <div>Next 10</div> </div>									

## Reporting Groups

A Reporting Group is a user defined group of setup parameters. For example, an IT manager can create a Reporting Group "Purchasing Parameters" for all purchasing related Setup Parameters. Through tracking these Setup Parameters as a group, an IT manager can also analyze and report on changes to the parameters as a group.

### To Set up a Reporting Group

Topic	Navigation Path
Define a Reporting Group	Using the IT Auditor (or equivalent) responsibility, drill into the Setup tab and then the Reporting Groups subtab [Reporting Groups Window].

Once the basic attributes of the Reporting Group have been set up (like its Name and dates of validity), click the Add Parameter button to append Setup Parameters to the group.

Application Controls   Setup				
Setup Groups   <b>Reporting Groups</b>   Instances   Import				
Setup: Reporting Groups >				
Reporting Group: Financial Options				
Reporting Group Name: Financial Options			Start Date: 01-Jan-2005	Update
Description: Control Options for Oracle Financials			End Date:	
Add Parameter				
Application	Setup Group	Parameter	Updated By	Remove
Oracle Payables	Financials Options	Always Take Discount	Frazier, Mr. Landon	
Oracle Payables	Financials Options	Bill-To Location	Frazier, Mr. Landon	
Oracle Payables	Financials Options	Discount Taken Account	Frazier, Mr. Landon	
Oracle Payables	Financials Options	Freight Terms	Frazier, Mr. Landon	
Oracle Payables	Financials Options	Hold Unmatched Invoices	Frazier, Mr. Landon	
Oracle Payables	Financials Options	Invoice Match Option	Frazier, Mr. Landon	
Oracle Payables	Financials Options	Pay Alone	Frazier, Mr. Landon	
Oracle Payables	Financials Options	Payment Method	Frazier, Mr. Landon	
Oracle Payables	Financials Options	Payment Terms	Frazier, Mr. Landon	
Oracle Payables	Financials Options	Precision	Frazier, Mr. Landon	
Add Parameter				

For example, a "Payables" Reporting Group will typically involve several parameters taken from Payables Setup tables. However, the parameters in a Reporting Group can come from multiple Setup Groups. Note that the same parameter can exist in multiple Reporting Groups.

## Remote Application Instances

Application Controls Monitoring can be used to query and report on application control changes in multiple instances. The results can be viewed in a dashboard that compares values of particular Setup Parameters across instances and is therefore particularly useful in troubleshooting configuration problems. The control values can simultaneously be checked against recommended values as well.

Application Controls   Setup		
Reporting Group   Application   User   <b>Instance</b>		
Application Controls Across Instances		
<a href="#">Show Search Criteria</a>		
Organization Name: <span>Vision Operations</span>		
<a href="#">Expand All</a>   <a href="#">Collapse All</a>		
Focus Setup Group	Current	Test
<div> <div>Setup Group</div> <div> <div>Financials Options</div> <div>Previous 1 - 10 of 14</div> <div> <a href="#">Always Take Discount</a> </div> <div> <a href="#">Discount Taken Account</a> </div> <div> <a href="#">Precision</a> </div> <div> <a href="#">Invoice Match Option</a> </div> </div> </div>		
	x N	
	x 01-740-7825-0000-000	
	x 2	
	x Purchase Order	

Before you can view the setup values in remote instances, you need to first import those values to the "current" instance.

Application Controls Monitoring distinguishes between "current" and "remote" instances as follows: the instance that you are presently accessing is the current instance. All other instances that are executing the application with the Setup



Parameters of interest are remote in relation to this current instance.

## To Import Setup Data from Remote Application Instances

Execute the following two steps to complete the process:

### Step 1

Before you can import setup data to the current instance, Application Controls Monitoring requires that you identify the remote instances.

Topic	Navigation Path
Define Remote Instance within Application Controls Monitoring	Using the IT Auditor (or equivalent) responsibility, drill into the Setup tab and then the Instances subtab [Remote Application Instances Window].  Finally, click the Create Instance button.

The following table provides further information on select fields in the Create Instance window.

Field	Description
Instance Code	A unique identifier for distinguishing the instance. It is the Primary key of the ITA_INSTANCES_B table. The Instance Code is generated by default but can be changed to any other unique key.
DBC File Name	The DBC (Database Connection) file is a text file which stores all the information required to connect to a particular database. It allows an administrator to easily load groups of environment variable settings.  The "Transfer Setup Change History from Remote Instances" concurrent program uses this file to connect to the remote instance. The DBC File Name must be unique and the file itself must be stored in the FND_SECURE directory.

All remote instances that are running the application with the Setup Parameters being tracked must be defined. Use the Remote Application Instances window to update or remove the remote instance.

Application Controls
Setup

Setup Groups | Reporting Groups | Instances

### Remote Application Instances

**Simple Search**

Please note that the search is case insensitive.

Instance Name

---

Instance ▲	DBC File Name	Update	Remove
Unit Test	ap649sdb_fin115p2.dbc		

Note that the current instance is not viewable in this window.

#### Step 2

Periodically, run the concurrent program "Transfer Setup Change History from Remote Instances." This program imports data from the remote instances defined in Step 1 to the "current" instance.

Note that the transferred data is as current as the last import.

## Note on Processing Business Events

The audit trail data transfer from the Shadow Tables to the Change Data Storage Tables is asynchronous. Although the phase of this event subscription is seeded by Oracle at "99" i.e. the highest priority, there is typically a lag between the time events raised on the Shadow Tables are placed on the queue and subsequently picked up by the Agent Listener.

Before analyzing any of the application control changes, you can confirm that the changes have been transferred to Oracle Internal Controls Manager i.e. all raised events are processed. We recommend you periodically perform the following three tasks in Oracle Workflow.

1. Ensure that the subscription to the events raised on Shadow Tables is "Enabled."

Topic	Navigation Path
Checking the status of Event Subscriptions	<p>Using the Workflow Administrator (or equivalent) responsibility, click the Business Events tab and search for the "oracle.apps.ita.setup.record" event [Events Window].</p> <p>Subsequently, drill down into the event by clicking the subscription icon [Update Event Subscription Window].</p>

HomeDeveloper StudioBusiness EventsStatus MonitorNotificationsAdministration


EventsSubscriptionsAgentsSystemsSubscriptionsSubscriptions

Business Events: Events > Business Events: Events >

Subscriptions: Event: oracle.apps.ita.setup.record

An event subscription is a registration indicating that a particular event is significant to a particular system. An event subscription specifies the processing to perform when the triggering event occurs.

Create Subscription

System	Source Type	Out Agent	To Agent	Function	Workflow	Status	
U11510C2.US.ORACLE.COM	Local					Enabled	

Return to Events

- If necessary, change the Status of the Event's subscription to Enabled. Note that to execute this task you must be logged in as a System Administrator or user with Update privileges.
- Ensure that Workflow Agent Listener is "Available."

Topic	Navigation Path
Checking the status of the Workflow Agent Listener	<p>Using the Workflow Administrator Web Applications (or equivalent) responsibility, drill into the Workflow Manager [Applications Dashboard Window].</p> <p>Note the status of the Agent Listener.</p>

Applications Dashboard | Site Map

[Applications System:fintest](#) >

[Workflow Metrics](#)
[Related Links](#)

---

**Workflow System: fintest**

Last Updated: 26-01-2005 12:20:05

Submit Request For Background Engines Go

Notification Mailers Down
Agent Listeners Up
Service Components Down

Background Engines Down
Purge Up
Control Queue Cleanup Up

**Related Database Parameters**

Last Updated: 26-01-2005 12:20:07

Parameter Name	Parameter Value	Recommended Value	Description
job_queue_processes	5	10 <span>Warning</span>	number of job queue slave processes
aq_tm_processes	1	>= 1	number of AQ Time Managers to start

[Return to Top](#)

**Workflow Metrics**

Work Items

Agent Activity

[Show](#)
[Show](#)

**Related Links**

Configuration
Service Components
Queue Propagation

Throughput
Work Items
Agent Activity
Notification Mailers

[Return to Top](#)

- If Agent Listeners is "Unavailable" or "Down," click on the Service Components configuration link. In the resulting Service Components window, the component configurations that are crucial to Application Controls Monitoring are: "Workflow Deferred Agent Listener" and "Workflow Java Deferred Agent Listener". You can restart the listeners from here.

In order to ensure the accurate tracking and comparison of setup data across instances, the event subscription and agent listener described above must be active in every instance where Oracle Internal Controls Manager is installed.

**Note:** For detailed information on Events and Subscriptions, refer to the Workflow User Guide.

- Monitor event statuses using the Workflow Administrator responsibility by completing the following steps. You can review the start time, process time, and activity summary for each event.
  1. In the Related Links, Throughput section, click Agent Activity.
  2. Select an agent, and click the Search Agent Entry Details button.
  3. Enter "%ita%" in the Transaction Type field, and click Go.

---

## Administer Application Controls Management

This chapter covers the following topics:

- Introduction
- Using Application Controls Monitoring

### Introduction

This chapter describes using Application Controls Monitoring to manage critical application controls changes in the Oracle E-Business Suite. Before you can investigate the application controls environment, it is necessary that the setup and implementation of Application Controls Monitoring itself be complete.

**Note:** For detailed information on implementing Application Controls Monitoring, refer to Setup of Application Controls Management, page 18-1.

### Using Application Controls Monitoring

Once the definition of Application Controls Monitoring is complete, you can use the application to query setup changes in your data. Application Controls Monitoring allows you to search for application control values and changes in those values using primarily four criteria:

- Reporting Group
- Application
- User

- Instance

Each of these criteria is a subtab under the main Application Controls tab.

To export query results to a PDF file using XML Publisher, select a Report Type, then click the Get Report button. You can generate either a Detail or Summary report. The detail report contains the result rows with their corresponding inner tables expanded..

## Application Controls Management Query Details

Within the broad criteria mentioned above, you may further narrow down your search results by using the following entities:

- Setup Group
- Setup Parameter
- GL Period
- Instance
- Organizations

As an example, when querying by Reporting Group you can restrict your search results to the Setup Parameters within a particular Setup Group. If any of these entities are left blank, Application Controls Monitoring assumes the default of "All" for that particular criterion.

Application Controls Management Query Details

Reporting Group | Application | User | Instance

Application Controls History by Reporting Group

\* Indicates required field

Hide Search Criteria

\* Instance: Current

\* Reporting Group: Financial Options

Setup Group: Financial Options

Setup Group Parameter:

Period:

From Date:

To Date:

Show only Parameters with current values different from the recommended value

Show Overrides

Available Organizations

Type: Operating Unit

Move

Move All

Remove

Remove All

Go

Report Type: Details

Get Report

Details	Setup Group	Parameter	Context	Value	Prior	Current	Last Updated On	Last Updated By	Overrides
No search conducted.									

Note that the LOV for the GL period show all periods irrespective of the period set. However, you can restrict the results to a particular period set in the GL period LOV window.

## Viewing Query Results

Application Controls Monitoring enables you to administer Application Controls (setups) by viewing particular control values in relation to their prior and benchmarked values.

In the dashboard view, if the current value of a particular Setup Parameter does not equal its recommended value, Oracle Internal Controls Manager displays a red cross next to that value. With the aid of this flag, a quick scan of the dashboard can alert a user to the Setup Parameter that must be investigated.

**Oracle**

Application Controls Setup

Reporting Group | Application | User | Instance

Browse Application Controls Changes by Reporting Group

\* Indicates required field

Show Search Criteria

Details	Setup Group	Parameter	Organization		Value			Last Updated On	Last Updated By
			Type	Name	Recommended	Prior	Current		
Show	Payables Options	Primary Accounting Method	Operating Unit	Vision Operations			Accrual	14-Jul-2003 12:20:08	OPERATIONS
Show	Payables Options	Prepayment Settlement Days	Operating Unit	Vision Operations	2	✗ 3	2	17-Jan-2005 15:28:20	AUDITOR
Show	Payables Options	Exchange Rate Type	Operating Unit	Vision Operations	Spot	✗ Corporate	✗ User	10-Jan-2005 13:54:56	AUDITOR
Show	Payables Options	Transfer to GL	Operating Unit	Vision Operations	In Detail	In Detail	✗ Summarize by Accounting Date	18-Jan-2005 09:45:31	AUDITOR
Show	Payables Options	Pay Group	Operating Unit	Vision Operations	EMPLOYEE	✗ DOMESTIC	EMPLOYEE	10-Jan-2005 14:01:32	AUDITOR

You can then make corrections and/or adjustments to the application control data i.e. the setups accordingly.

**Note:** The changes to the application control data settings must be performed within the appropriate Oracle E-Business Suite module.

## Querying Application Controls in Multiple Instances

Application Controls Monitoring queries are typically run within a specific instance. However, you can use the menu path Application Controls > Instances to query and view the values of Setup Parameters in up to four instances simultaneously.

Application Controls   Setup		
Reporting Group   Application   User   Instance		
Application Controls Across Instances		
<a href="#">Show Search Criteria</a>		
Organization Name <span>Vision Operations</span>		
<a href="#">Expand All</a>   <a href="#">Collapse All</a>		
Focus Setup Group	Current	Test
<div> <div></div> <div>Setup Group</div> </div> <div> <div></div> <div>Financials Options</div> </div> <div> <div></div> <div>Previous 1 - 10 of 14</div> </div> <div> <a href="#">Always Take Discount</a> </div> <div> <a href="#">Discount Taken Account</a> </div> <div> <a href="#">Precision</a> </div> <div> <a href="#">Invoice Match Option</a> </div>	<div></div> <div></div> <div></div> <div> <div></div> <div>N</div> </div> <div> <div></div> <div>01-740-7825-0000-000</div> </div> <div> <div></div> <div>2</div> </div> <div> <div></div> <div>Purchase Order</div> </div>	

Again, a quick scan of the dashboard can alert a user to the Setup Parameter and Instance that must be investigated.



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## Application Controls Monitoring Implementation Checklist

This chapter covers the following topics:

- Introduction
- Checklist Steps

### Introduction

This chapter contains a checklist of tasks that must be executed to complete the implementation of Application Controls Monitoring.

When you install Oracle Internal Controls Manager, the installation process automatically creates the responsibility "IT Auditor." This responsibility includes the necessary functions to setup and implement the application. Hence as a prerequisite step, setup the appropriate users by assigning them this responsibility for the implementation.

**Note:** Concurrent programs are generally administered by the Oracle Applications System Administrator.

Since some implementation steps build upon information you define in prior implementation steps, you should perform the steps in the order listed.

### Checklist Steps

The following table lists the steps required to implement Application Controls Monitoring.

**Note:** For detailed information on each of these steps, refer to Setup of Application Controls Management, page 18-1.

Description	Required	Optional
Prerequisite Steps		
Step 1 - Run the concurrent program AuditTrail Update Tables	X	
Step 2 - Set the profile option Audit Trail: Activate to "Yes" at the Site level	X	
Step 3 - Run the concurrent program Enable Setup Change Tracking (categorized under the Information Technology Audit application)	X	
Setup Groups and Parameters		
Step 4 - Review seeded Setup Groups for Application Controls Monitoring		X
Step 5 - Review seeded Setup Parameters for Application Controls Monitoring		X
Step 6 - Enter recommended values for Setup Parameters		X
Reporting Groups		
Step 7 - Define Reporting Groups		X
Remote Application Instances		
Step 8 - Define Remote Application Instances		X

Description	Required	Optional
Step 9 - Run the concurrent program Transfer Setup Change History from Remote Instances.		X



---

## Seeded Setup Groups and Parameters

This chapter covers the following topics:

- Introduction
- Setup Group Detail Listings

### Introduction

The Application Controls Management feature enables IT managers and auditors to track changes to Setup Parameters in several modules within the Oracle E-Business Suite.

The following sections provide a detailed listing of the specific Setup Groups, Applications, and Setup Parameters that can be audited for changes.

**Note:** Only the most significant parameters in each group are shown. You can review all Setup Parameters using the IT Auditor responsibility by navigating to Setup, Setup Groups.

### Setup Group Detail Listings

#### Setup Group Name: Financials Options

Application: AP

Table Name: FINANCIALS\_SYSTEM\_PARAMS\_ALL

Setup Parameter Name	Column Name
Always Take Discount	ALWAYS_TAKE_DISC_FLAG

<b>Setup Parameter Name</b>	<b>Column Name</b>
Pay Alone	EXCLUSIVE_PAYMENT_FLAG
RFQ Only Site	RFQ_ONLY_SITE_FLAG
Hold Unmatched Invoices	HOLD_UNMATCHED_INVOICES_FLAG
Invoice Match Option	MATCH_OPTION
Supplier Number Creation	USER_DEFINED_VENDOR_NUM_CODE
Supplier Number Type	MANUAL_VENDOR_NUM_TYPE
Use Requisition Encumbrance	REQ_ENCUMBRANCE_FLAG
Reserve at Completion	RESERVE_AT_COMPLETION_FLAG
Use PO Encumbrance	PURCH_ENCUMBRANCE_FLAG
Payment Terms	TERMS_ID
Payment Method	PAYMENT_METHOD_LOOKUP_CODE
Ship-To Location	SHIP_TO_LOCATION_ID
Bill-To Location	BILL_TO_LOCATION_ID
Ship Via	SHIP_VIA_LOOKUP_CODE
FOB	FOB_LOOKUP_CODE
Liability Account	ACCTS_PAY_CODE_COMBINATION_ID
Prepayment Account	PREPAY_CODE_COMBINATION_ID
Discount Taken Account	DISC_TAKEN_CODE_COMBINATION_ID
Future Periods	FUTURE_PERIOD_LIMIT
Requisition Encumbrance Type	REQ_ENCUMBRANCE_TYPE_ID

Setup Parameter Name	Column Name
PO Encumbrance Type	PURCH_ENCUMBRANCE_TYPE_ID
Invoice Encumbrance Type	INV_ENCUMBRANCE_TYPE_ID
Inventory Organization	INVENTORY_ORGANIZATION_ID
Freight Terms	FREIGHT_TERMS_LOOKUP_CODE
Receipt Acceptance Days	RECEIPT_ACCEPTANCE_DAYS
Business Group	BUSINESS_GROUP_ID
Expense Reimbursement Address	EXPENSE_CHECK_ADDRESS_FLAG
Use Approval Hierarchies	USE_POSITIONS_FLAG
VAT Registration Number	VAT_REGISTRATION_NUM
VAT Registration Member State	VAT_COUNTRY_CODE
PO Rate Variance Gain Account	RATE_VAR_GAIN_CCID
PO Rate Variance Loss Account	RATE_VAR_LOSS_CCID
Default Tax Code	VAT_CODE
Enable Recoverable Tax	NON_RECOVERABLE_TAX_FLAG
Tax Rounding Rule	TAX_ROUNDING_RULE
Precision	PRECISION
Min Accountable Unit	MINIMUM_ACCOUNTABLE_UNIT
Default Recovery Rate	DEFAULT_RECOVERY_RATE
Future Dated Payment Account	FUTURE_DATED_PAYMENT_CCID
Expense Clearing Account	EXPENSE_CLEARING_CCID

Setup Parameter Name	Column Name
Miscellaneous Account	MISC_CHARGE_CCID

## Setup Group Name: Payables Options

Application: AP

Table Name: AP\_SYSTEM\_PARAMETERS\_ALL

Setup Parameter Name	Column Name
Primary Accounting Method	ACCOUNTING_METHOD_OPTION
Secondary Accounting Method	SECONDARY_ACCOUNTING_METHOD
Automatic Offset Method	LIABILITY_POST_LOOKUP_CODE
Prevent Prepayment Application Across Balancing Segments	STOP_PREPAY_ACROSS_BAL_FLAG
Set of Books	SET_OF_BOOKS_ID
Transfer to GL	GL_TRANSFER_MODE
Transfer Reporting Books	INCLUDE_REPORTING_SOB
Submit Journal Import	GL_TRANSFER_SUBMIT_JOURNAL_IMP
Allow Override at Program Submission	GL_TRANSFER_ALLOW_OVERRIDE
Account for Payment - When Payment is Issued	WHEN_TO_ACCOUNT_PMT
Account for Payment - When Payment Clears	RECON_ACCOUNTING_FLAG
Account for Gain/Loss - When Payment is Issued	WHEN_TO_ACCOUNT_GAIN_LOSS
Account for Gain/Loss - When Payment Clears	RECON_ACCOUNTING_FLAG



Setup Parameter Name	Column Name
Gain/Loss Calculation	GAIN_LOSS_CALC_LEVEL
Use Future Dated Payment Account	FUTURE_DATED_PMT_ACCT_SOURCE
Use Multiple Currencies	MULTI_CURRENCY_FLAG
Require Exchange Rate Entry	MAKE_RATE_MANDATORY_FLAG
Calculate User Exchange Rate	CALC_USER_XRATE
Exchange Rate Type	DEFAULT_EXCHANGE_RATE_TYPE
Realized Gain Account	GAIN_CODE_COMBINATION_ID
Realized Loss Account	LOSS_CODE_COMBINATION_ID
Rounding Account	ROUNDING_ERROR_CCID
Pay Group	VENDOR_PAY_GROUP_LOOKUP_CODE
Invoice Currency	INVOICE_CURRENCY_CODE
Terms Date Basis	TERMS_DATE_BASIS
Pay Date Basis	PAY_DATE_BASIS_LOOKUP_CODE
Bank Charge Bearer	BANK_CHARGE_BEARER
Combined Filing Program	COMBINED_FILING_FLAG
Use Pay Site Tax Region	INCOME_TAX_REGION_FLAG
Income Tax Region	INCOME_TAX_REGION
Use Invoice Approval Workflow	APPROVAL_WORKFLOW_FLAG
Allow Force Approval	ALLOW_FORCE_APPROVAL_FLAG
Require Validation Before Approval	VALIDATE_BEFORE_APPROVAL_FLAG

Setup Parameter Name	Column Name
Allow Adjustments to Paid Invoices	ALLOW_PAID_INVOICE_ADJUST
Recalculate Scheduled Payment	RECALC_PAY_SCHEDULE_FLAG
Automatically Create Freight Distribution	AUTO_CREATE_FREIGHT_FLAG
GL Date Basis	GL_DATE_FROM_RECEIPT_FLAG
Confirm Date as Invoice Number	CONFIRM_DATE_AS_INV_NUM_FLAG
Allow Online Validation	APPROVALS_OPTION
Allow Document Category Override	INV_DOC_CATEGORY_OVERRIDE
Prepayment Payment Terms	PREPAYMENT_TERMS_ID
Prepayment Settlement Days	ADD_DAYS_SETTLEMENT_DATE
Build Prepayment Accounts when Matching	BUILD_PREPAYMENT_ACCOUNTS_FLAG
Freight Account	FREIGHT_CODE_COMBINATION_ID
Allow Final Matching	ALLOW_FINAL_MATCH_FLAG
Allow Distribution Level Matching	ALLOW_DIST_MATCH_FLAG
Allow Matching Account Override	ALLOW_FLEX_OVERRIDE_FLAG
Transfer PO Descriptive Flexfield Information	TRANSFER_DESC_FLEX_FLAG
Allow Interest Invoices	AUTO_CALCULATE_INTEREST_FLAG
Prorate Across Overdue Invoices	PRORATE_INT_INV_ACROSS_DISTS
Minimum Interest Amount	INTEREST_TOLERANCE_AMOUNT
Interest Expense Account	INTEREST_CODE_COMBINATION_ID
Interest Liability Account	INTEREST_ACCTS_PAY_CCID

Setup Parameter Name	Column Name
Expense Report Default Template	EXPENSE_REPORT_ID
Expense Report Payment Terms	EMPLOYEE_TERMS_ID
Expense Report Pay Group	EMPLOYEE_PAY_GROUP_LOOKUP_CODE
Employee Payment Priority	EMPLOYEE_PAYMENT_PRIORITY
Apply Advances	APPLY_ADVANCES_DEFAULT
Automatically Create Employee as Supplier	CREATE_EMPLOYEE_VENDOR_FLAG
Hold Unmatched Expense Reports	HOLD_UNMATCHED_INVOICES_FLAG
Bank Account	BANK_ACCOUNT_ID
Payment Batch Limit	MAX_OUTLAY
EFT User Number	EFT_USER_NUMBER
Additional Pay Through Days	DAYS_BETWEEN_CHECK_CYCLES
Allow Document Category Override	PAY_DOC_CATEGORY_OVERRIDE
Exclude Tax From Discount	DISC_IS_INV_LESS_TAX_FLAG
Discount Method	DISCOUNT_DISTRIBUTION_METHOD
Allow Print	ONLINE_PRINT_FLAG
Allow Pre-Date	POST_DATED_PAYMENTS_FLAG
Allow Address Change	UPDATE_PAY_SITE_FLAG
Allow Void and Reissue	REPLACE_CHECK_FLAG
XML Payments - Automatic Configuration	XML_PAYMENTS_AUTO_CONFIRM_FLAG
Allow Remit to Account Override	ALLOW_SUPPLIER_BANK_OVERRIDE

Setup Parameter Name	Column Name
Use Bank Charges	USE_BANK_CHARGE_FLAG
Require Tax Entry at Header	REQUIRE_TAX_ENTRY_FLAG
Allow Calculation Override	AUTO_TAX_CALC_OVERRIDE
Allow Override	AMOUNT_INCLUDES_TAX_OVERRIDE
Distribution Amounts Include Tax	AMOUNT_INCLUDES_TAX_FLAG
Use Withholding Tax	ALLOW_AWT_FLAG
Allow Manual Withholding	ALLOW_AWT_OVERRIDE
Include Discount Amount	AWT_INCLUDE_DISCOUNT_AMT
Include Tax Amount	AWT_INCLUDE_TAX_AMT
Tax Group	DEFAULT_AWT_GROUP_ID
Apply Withholding Tax	CREATE_AWT_DISTS_TYPE
Create Withholding Invoice	CREATE_AWT_INVOICES_TYPE
Include Income Tax Type on Withholding Distributions	ENABLE_1099_ON_AWT_FLAG
Enforce Tax From Account	ENFORCE_TAX_FROM_ACCOUNT
Enforce Tax From Purchase Order	MATCH_ON_TAX_FLAG
Tax Code Defaults - PO for Matched Invoices	TAX_FROM_PO_FLAG
Tax Code Defaults - PO for Matched Invoices Hierarchy	TAX_HIER_PO_SHIPMENT
Tax Code Defaults - Supplier Site	TAX_FROM_VENDOR_SITE_FLAG
Tax Code Defaults - Supplier Site Hierarchy	TAX_HIER_VENDOR_SITE

Setup Parameter Name	Column Name
Tax Code Defaults - Supplier	TAX_FROM_VENDOR_FLAG
Tax Code Defaults - Supplier Hierarchy	TAX_HIER_VENDOR
Tax Code Defaults - Account	TAX_FROM_ACCOUNT_FLAG
Tax Code Defaults - Account Hierarchy	TAX_HIER_ACCOUNT
Tax Code Defaults - Financials	TAX_FROM_SYSTEM_FLAG
Tax Code Defaults - Financials Hierarchy	TAX_HIER_SYSTEM
Tax Code Defaults - Invoice Header	TAX_FROM_INV_HEADER_FLAG
Tax Code Defaults - Invoice Header Hierarchy	TAX_HIER_INVOICE
Tax Code Defaults - Template	TAX_FROM_TEMPLATE_FLAG
Tax Code Defaults - Template Hierarchy	TAX_HIER_TEMPLATE
Relieve Future Dated Payment Liability	FUTURE_DATED_PMT_LIAB_RELIEF
Sort By Alternate Field	SORT_BY_ALTERNATE_FIELD

## Setup Group: Payables System Setup

Application: Payables

Table Name: AP\_PRODUCT\_SETUP

Setup Parameter Name	Column Name
AUTO_CALCULATE_INTEREST_FLAG	AUTO_CALCULATE_INTEREST_FLAG
Always Take Discount	ALWAYS_TAKE_DISC_FLAG
Bank Charge Bearer	BANK_CHARGE_BEARER
Hold Unmatched Invoices	HOLD_UNMATCHED_INVOICES_FLAG

Setup Parameter Name	Column Name
Invoice Currency	INVOICE_CURRENCY_CODE
Invoice Match Option	MATCH_OPTION
Pay Date Basis	PAY_DATE_BASIS_LOOKUP_CODE
Pay Group	SUPPLIER_PAY_GROUP_LOOKUP_CODE
Payment Method	PAYMENT_METHOD_LOOKUP_CODE
Payment Terms	TERMS_ID
RECORD_NUMBER	RECORD_NUMBER
Supplier Number Entry	SUPPLIER_NUMBERING_METHOD
Supplier Number Type	SUPPLIER_NUM_TYPE
Terms Date Basis	TERMS_DATE_BASIS

## Setup Group: Receivables Options

Application: AR

Table Name: AR\_SYSTEM\_PARAMETERS\_ALL

Setup Parameter Name	Column Name
Accounting Method	ACCOUNTING_METHOD
Automatic Journal Import	RUN_GL_JOURNAL_IMPORT_FLAG
Days per Posting Cycle	POSTING_DAYS_PER_CYCLE
Finance Charge Activity	FINCHRG_RECEIVABLES_TRX_ID
Realized Gains Account	CODE_COMBINATION_ID_GAIN
Realized Losses Account	CODE_COMBINATION_ID_LOSS

Setup Parameter Name	Column Name
Tax Account	LOCATION_TAX_ACCOUNT
Unallocated Revenue Account	UNALLOCATED_REVENUE_CCID
Cross Currency Rate Type	CROSS_CURRENCY_RATE_TYPE
Cross Currency Rounding Account	CODE_COMBINATION_ID_ROUND
Header Rounding Account	TRX_HEADER_ROUND_CCID
Header Level Rounding	TRX_HEADER_LEVEL_ROUNDING
Tax Method	TAX_METHOD
From Postal Code	FROM_POSTAL_CODE
To Postal Code	TO_POSTAL_CODE
Address Validation	ADDRESS_VALIDATION
Compound Taxes	TAX_INVOICE_PRINT
Tax Registration Number	TAX_REGISTRATION_NUMBER
Tax Vendor Views	TAX_DATABASE_VIEW_SET
Sales Tax Geo Override	SALES_TAX_GEOCODE
Inclusive Tax Used	INCLUSIVE_TAX_USED
Tax Calculation Level	TAX_HEADER_LEVEL_FLAG
Tax Rounding Rule	TAX_ROUNDING_RULE
Tax Reporting Currency	TAX_CURRENCY_CODE
Tax Precision	TAX_PRECISION
Tax Min Accountable Unit	TAX_MINIMUM_ACCOUNTABLE_UNIT

Setup Parameter Name	Column Name
Allow Override	TAX_ROUNDING_ALLOW_OVERRIDE
Enforce Tax from Revenue Account	TAX_ENFORCE_ACCOUNT_FLAG
Calculate Tax on Credit &Memo during Autoinvoice	CALC_TAX_ON_CREDIT_MEMO_FLAG
Tax Code Defaults - Customer Site	TAX_USE_SITE_EXC_RATE_FLAG
Tax Code Defaults - Customer Site Hierarchy	TAX_HIER_SITE_EXC_RATE
Tax Code Defaults - Customer	TAX_USE_CUST_EXC_RATE_FLAG
Tax Code Defaults - Customer Hierarchy	TAX_HIER_CUST_EXC_RATE
Tax Code Defaults - Product	TAX_USE_PROD_EXC_RATE_FLAG
Tax Code Defaults - Product Hierarchy	TAX_HIER_PROD_EXC_RATE
Tax Code Defaults - Revenue Account	TAX_USE_ACCOUNT_EXC_RATE_FLAG
Tax Code Defaults - Revenue Account Hierarchy	TAX_HIER_ACCOUNT_EXC_RATE
Tax Code Defaults - System Options	TAX_USE_SYSTEM_EXC_RATE_FLAG
Tax Code Defaults - System Options Hierarchy	TAX_HIER_SYSTEM_EXC_RATE
Tax Code	TAX_CODE
Use Customer Exemptions	TAX_USE_CUSTOMER_EXEMPT_FLAG
Use Item Exemptions	TAX_USE_PRODUCT_EXEMPT_FLAG
Use Item Rate Exemptions	TAX_USE_LOC_EXC_RATE_FLAG
Allow Changes to Printed Transactions	CHANGE_PRINTED_INVOICE_FLAG
Allow Payment of Unrelated Transaction	PAY_UNRELATED_INVOICES_FLAG



<b>Setup Parameter Name</b>	<b>Column Name</b>
Allow Transaction Deletion	INVOICE_DELETION_FLAG
Show Billing Number	SHOW_BILLING_NUMBER_FLAG
Document Number Generation Level	DOCUMENT_SEQ_GEN_LEVEL
AutoInvoice Accounting Flex Segment	AI_ACCT_FLEX_KEY_LEFT_PROMPT
AutoInvoice System Items Flex Segment	AI_MTL_ITEMS_KEY_LEFT_PROMPT
AutoInvoice Territory Flex Segment	AI_TERRITORY_KEY_LEFT_PROMPT
AutoInvoice Max Memory in Bytes	AI_MAX_MEMORY_IN_BYTES
AutoInvoice Purge Interface Tables	AI_PURGE_INTERFACE_TABLES_FLAG
Log File Message Level	AI_LOG_FILE_MESSAGE_LEVEL
Automatic Customer Numbering	GENERATE_CUSTOMER_NUMBER
Automatic Customer Site Numbering	AUTO_SITE_NUMBERING
Create Reciprocal Customer	CREATE_RECIPROCAL_FLAG
Customer Grouping Rule	DEFAULT_GROUPING_RULE_ID
Standard Refund Policy Days	STANDARD_REFUND
Payment Term Threshold Days	PAYMENT_THRESHOLD
Credit Classification for Deferring Revenue - First Selection	CREDIT_CLASSIFICATION1
Credit Classification for Deferring Revenue - Second Selection	CREDIT_CLASSIFICATION2
Credit Classification for Deferring Revenue - Third Selection	CREDIT_CLASSIFICATION3
Prepare for Claim Creation	UNMTCH_CLAIM_CREATION_FLAG

<b>Setup Parameter Name</b>	<b>Column Name</b>
Match Remittance Lines	MATCHED_CLAIM_CREATION_FLAG
Exclude Credit Memos	MATCHED_CLAIM_EXCL_CM_FLAG
Split Amount	CER_SPLIT_AMOUNT
Discount Basis	CALC_DISCOUNT_ON_LINES_FLAG
AutoCash Rule Set	AUTOCASH_HIERARCHY_ID
Days in Days Sales Outstanding Calculation	CER_DSO_DAYS
Sales Credit Percent Limit	SALES_CREDIT_PCT_LIMIT
Min Write off Limits per Receipt	MIN_WRTOFF_AMOUNT
Max Write off Limits per Receipt	MAX_WRTOFF_AMOUNT
Accrue Interest	ACCRUE_INTEREST
Allow Unearned Discounts	UNEARNED_DISCOUNT
Discount On Partial Payment	PARTIAL_DISCOUNT_FLAG
Trade Accounting Installed	TA_INSTALLED_FLAG
Bills Receivable Enabled	BILLS_RECEIVABLE_ENABLED_FLAG
Require Salesperson	SALESREP_REQUIRED_FLAG
Require Billing Location for Receipts	SITE_REQUIRED_FLAG
Print Remit to Address	PRINT_REMIT_TO
Print Home Country	PRINT_HOME_COUNTRY_FLAG
Minimum Refund Amount	MIN_REFUND_AMOUNT
Credit Card Payment Method	IREC_CC_RECEIPT_METHOD_ID

Setup Parameter Name	Column Name
Bank Account Payment Method	IREC_BA_RECEIPT_METHOD_ID
Invoices Per Commit	AUTO_REC_INVOICES_PER_COMMIT
Receipts Per Commit	AUTO_REC_RECEIPTS_PER_COMMIT
Chargeback Due Date	DEFAULT_CB_DUE_DATE
Default Country	DEFAULT_COUNTRY
Source of Territory	DEFAULT_TERRITORY
Application Rule Set	RULE_SET_ID

### Setup Group Name: Cash Parameters

Application: CE

Table Name: CE\_SYSTEM\_PARAMETERS\_ALL

Setup Parameter Name	Column Name
Set Of Books	SET_OF_BOOKS_ID
Begin Date	CASHBOOK_BEGIN_DATE
Show Cleared Transactions	SHOW_CLEARED_FLAG
Tolerance Amount	AMOUNT_TOLERANCE
Tolerance Percent	PERCENT_TOLERANCE
Receivable Activity	RECEIVABLES_TRX_ID
AP Tolerance Difference	DIFFERENCES_ACCOUNT
Lines Per Commit	LINES_PER_COMMIT
Purge Interface	INTERFACE_PURGE_FLAG

Setup Parameter Name	Column Name
Archive Interface	INTERFACE_ARCHIVE_FLAG
Add Lines to Automatic Statements	LINE_AUTOCREATION_FLAG
Use Reconciliation Open Interface	ENABLE_OPEN_INTERFACE_FLAG
Foreign Tolerance Difference	FOREIGN_DIFFERENCE_HANDLING
Payables Matching Order	AP_MATCHING_ORDER
Receivables Matching Order	AR_MATCHING_ORDER
Open Interface Float Status	OPEN_INTERFACE_FLOAT_STATUS
Open Interface Clear Status	OPEN_INTERFACE_CLEAR_STATUS
Float Handling	FLOAT_HANDLING_FLAG
Show Void Payments	SHOW_VOID_PAYMENT_FLAG
Open Interface Matching Criteria	OPEN_INTERFACE_MATCHING_CODE
Exchange Rate Type	EXCHANGE_RATE_TYPE
Exchange Rate Date	EXCHANGE_RATE_DATE

## Setup Group Name: Set of Books

Application: GL

Table Name: GL\_Sets\_Of\_Books

Setup Parameter Name	Column Name
Functional Currency	CURRENCY_CODE
Chart of Accounts	CHART_OF_ACCOUNTS_ID
Name	NAME

Setup Parameter Name	Column Name
Calendar Name	PERIOD_SET_NAME
Suspense	SUSPENSE_ALLOWED_FLAG
Short Name	SHORT_NAME
Require Budget Journals	REQUIRE_BUDGET_JOURNALS_FLAG
Enable Budgetary Control	ENABLE_BUDGETARY_CONTROL_FLAG
Balance Intercompany Journals	ALLOW_INTERCOMPANY_POST_FLAG
Translation Adjustment	CUM_TRANS_CODE_COMBINATION_ID
Future Periods	FUTURE_ENTERABLE_PERIODS_LIMIT
Retained Earnings	RET_EARN_CODE_COMBINATION_ID
Reserve for Encumbrance	RES_ENCUMB_CODE_COMBINATION_ID
Description	DESCRIPTION
Enable Average Balances	ENABLE_AVERAGE_BALANCES_FLAG
Consolidation Set Of Books	CONSOLIDATION_SOB_FLAG
Maintain EOD	TRANSLATE_EOD_FLAG
Maintain QATD	TRANSLATE_QATD_FLAG
Maintain YATD	TRANSLATE_YATD_FLAG
Translation Rate Type	DAILY_TRANSLATION_RATE_TYPE
Net Income	NET_INCOME_CODE_COMBINATION_ID
Journal Entry Tax	ENABLE_AUTOMATIC_TAX_FLAG
Journal Approval	ENABLE_JE_APPROVAL_FLAG

Setup Parameter Name	Column Name
Set of Books Type	MRC_SOB_TYPE_CODE
Rounding Difference	TRACK_ROUNDING_IMBALANCE_FLAG
Rounding Account	ROUNDING_CODE_COMBINATION_ID
Secondary Segment Closing and Translation	ENABLE_SECONDARY_TRACK_FLAG
Secondary Segment Revaluation	ENABLE_REVAL_SS_TRACK_FLAG

## Setup Group Name: Ledgers (Set of Books)

Application: GL

Table Name: GL\_LEDGERS

Setup Parameter Name	Column Name
ACCOUNTED_PERIOD_TYPE	ACCOUNTED_PERIOD_TYPE
Alternate Currency Ledger Type	ALC_LEDGER_TYPE_CODE
Balance Intercompany Journals	ALLOW_INTERCOMPANY_POST_FLAG
COMPLETE_FLAG	COMPLETE_FLAG
Calendar Name	PERIOD_SET_NAME
Chart of Accounts	CHART_OF_ACCOUNTS_ID
Consolidation Ledgers	CONSOLIDATION_LEDGER_FLAG
Daily Translation Rate Type	DAILY_TRANSLATION_RATE_TYPE
Enable Average Balances	ENABLE_AVERAGE_BALANCES_FLAG
Enable Budgetary Control	ENABLE_BUDGETARY_CONTROL_FLAG
Functional Currency	CURRENCY_CODE

Setup Parameter Name	Column Name
Future Periods	FUTURE_ENTERABLE_PERIODS_LIMIT
Journal Approval	ENABLE_JE_APPROVAL_FLAG
Journal Entry Tax	ENABLE_AUTOMATIC_TAX_FLAG
LATEST_ENCUMBRANCE_YEAR	LATEST_ENCUMBRANCE_YEAR
LATEST_OPENED_PERIOD_NAME	LATEST_OPENED_PERIOD_NAME
Ledger Identifier	LEDGER_ID
Ledger Name	NAME
Maintain EOD	TRANSLATE_EOD_FLAG
Maintain QATD	TRANSLATE_QATD_FLAG
Maintain YATD	TRANSLATE_YATD_FLAG
Net Income	NET_INCOME_CODE_COMBINATION_ID
OBJECT_TYPE_CODE	OBJECT_TYPE_CODE
Require Budget Journals	REQUIRE_BUDGET_JOURNALS_FLAG
Reserve for Encumbrance	RES_ENCUMB_CODE_COMBINATION_ID
Retained Earnings	RET_EARN_CODE_COMBINATION_ID
Rounding Account	ROUNDING_CODE_COMBINATION_ID
Rounding Difference	TRACK_ROUNDING_IMBALANCE_FLAG
SLA_LEDGER_CASH_BASIS_FLAG	SLA_LEDGER_CASH_BASIS_FLAG
Suspense	SUSPENSE_ALLOWED_FLAG
TRANSACTION_CALENDAR_ID	TRANSACTION_CALENDAR_ID

Setup Parameter Name	Column Name
Translation Adjustment	CUM_TRANS_CODE_COMBINATION_ID

## Setup Group Name: Tax Options

Application: GL

Table Name: GL\_Tax\_Options

Setup Parameter Name	Column Name
Tax Reporting Currency	TAX_CURRENCY_CODE
Tax Precision	TAX_PRECISION
Minimum Accountable Unit	TAX_MAU
Calculation Level	CALCULATION_LEVEL_CODE
Allow Rounding Rule Override	ALLOW_ROUNDING_OVERRIDE_FLAG
Input Rounding Rule	INPUT_ROUNDING_RULE_CODE
Output Rounding Rule	OUTPUT_ROUNDING_RULE_CODE
Input Tax Code	INPUT_TAX_CODE
Input Amount Includes Tax	INPUT_AMT_INCL_TAX_FLAG
Output Tax Code	OUTPUT_TAX_CODE
Output Amount Includes Tax	OUTPUT_AMT_INCL_TAX_FLAG

## Setup Group Name: Tax Options

Application: E-Business Tax

Table Name: ZX\_PRODUCT\_OPTIONS\_ALL



Setup Parameter Name	Column Name
Allow Override	ALLOW_TAX_ROUNDING_OVRD_FLAG
Compound Taxes	TAX_ALLOW_COMPOUND_FLAG
Tax Code	TAX_CLASSIFICATION_CODE
Tax Method	TAX_METHOD_CODE
Tax Rounding Rule	TAX_ROUNDING_RULE
Use Customer Exemptions	TAX_USE_CUSTOMER_EXEMPT_FLAG
Use Item Exemptions	TAX_USE_PRODUCT_EXEMPT_FLAG
Use Item Rate Exemptions	TAX_USE_LOC_EXC_RATE_FLAG

## Setup Group Name: Inventory Parameters

Application: INV

Table Name: Mtl\_Parameters

Setup Parameter Name	Column Name
Organization Code	ORGANIZATION_CODE
Item Master Organization	MASTER_ORGANIZATION_ID
Costing Method	PRIMARY_COST_METHOD
Costing Organization	COST_ORGANIZATION_ID
Default Material Sub-Element	DEFAULT_MATERIAL_COST_ID
Calendar	CALENDAR_CODE
Transfer to GL	GENERAL_LEDGER_UPDATE_CODE
Default ATP Rule	DEFAULT_ATP_RULE_ID

Setup Parameter Name	Column Name
Default Picking Rule	DEFAULT_PICKING_RULE_ID
Default Locator Order	DEFAULT_LOCATOR_ORDER_VALUE
Default Subinventory Order	DEFAULT_SUBINV_ORDER_VALUE
Allow Negative Balances	NEGATIVE_INV_RECEIPT_CODE
Locator Control	STOCK_LOCATOR_CONTROL_CODE
Material Account	MATERIAL_ACCOUNT
Material Overhead Account	MATERIAL_OVERHEAD_ACCOUNT
Resource Account	RESOURCE_ACCOUNT
Purchase Price Variance Account	PURCHASE_PRICE_VAR_ACCOUNT
Inventory AP Accrual Account	AP_ACCRUAL_ACCOUNT
Overhead Account	OVERHEAD_ACCOUNT
Outside Processing Account	OUTSIDE_PROCESSING_ACCOUNT
Inter-organization Intransit Inventory Account	INTRANSIT_INV_ACCOUNT
Inter-organization Receivable Account	INTERORG_RECEIVABLES_ACCOUNT
Inter-organization Purchase Price Variance Account	INTERORG_PRICE_VAR_ACCOUNT
Inter-organization Payable Account	INTERORG_PAYABLES_ACCOUNT
Cost of Goods Sold Account	COST_OF_SALES_ACCOUNT
Encumbrance Account	ENCUMBRANCE_ACCOUNT
Inter-organization Transfer Credit Account	INTERORG_TRANSFER_CR_ACCOUNT

Setup Parameter Name	Column Name
Inter-organization transfer charge	MATL_INTERORG_TRANSFER_CODE
Inter-organization transfer percent	INTERORG_TRNSFR_CHARGE_PERCENT
Item Sourcing Organization	SOURCE_ORGANIZATION_ID
Item Sourcing Subinventory	SOURCE_SUBINVENTORY
Item Sourcing Type	SOURCE_TYPE
Serial Number Uniqueness	SERIAL_NUMBER_TYPE
Serial Number Prefix	AUTO_SERIAL_ALPHA_PREFIX
Starting Serial Number	START_AUTO_SERIAL_NUMBER
Lot Prefix	AUTO_LOT_ALPHA_PREFIX
Lot Number Uniqueness	LOT_NUMBER_UNIQUENESS
Lot Number Generation	LOT_NUMBER_GENERATION
Lot Number Zero Pad Suffix	LOT_NUMBER_ZERO_PADDING
Lot Number Total Length	LOT_NUMBER_LENGTH
Starting Revision	STARTING_REVISION
Demand Class	DEFAULT_DEMAND_CLASS
Reverse Encumbrance	ENCUMBRANCE_REVERSAL_FLAG
Invoice Price Variance Account	INVOICE_PRICE_VAR_ACCOUNT
Cost Variance Account	AVERAGE_COST_VAR_ACCOUNT
Sales Account	SALES_ACCOUNT
Expense Account	EXPENSE_ACCOUNT

<b>Setup Parameter Name</b>	<b>Column Name</b>
Serial Number Generation	SERIAL_NUMBER_GENERATION
Project Cost Collect. Enabled	PM_COST_COLLECTION_ENABLED
Rates Cost Type	AVG_RATES_COST_TYPE_ID
Project Clearance Account	PROJECT_COST_ACCOUNT
Capacity Load Weight	ORG_MAX_WEIGHT
Capacity Volume	ORG_MAX_VOLUME
Move Order Timeout Period	TXN_APPROVAL_TIMEOUT_PERIOD
Pick Confirmation Required	MO_PICK_CONFIRM_REQUIRED
Move Order Timeout Action	MO_APPROVAL_TIMEOUT_ACTION
Borrow Payback Material Variance Account	BORRPAY_MATL_VAR_ACCOUNT
Borrow Payback Material Overhead Variance Account	BORRPAY_MOH_VAR_ACCOUNT
Borrow Payback Resource Variance Account	BORRPAY_RES_VAR_ACCOUNT
Borrow Payback Outside Processing Variance Account	BORRPAY_OSP_VAR_ACCOUNT
Borrow Payback Overhead Variance Account	BORRPAY_OVH_VAR_ACCOUNT
Process Enabled	PROCESS_ENABLED_FLAG
Process Organization	PROCESS_ORGN_CODE
Default Cost Group	DEFAULT_COST_GROUP_ID
WMS Enabled	WMS_ENABLED_FLAG
Allocate Serial Numbers	ALLOCATE_SERIAL_FLAG

Setup Parameter Name	Column Name
EAM Enabled	EAM_ENABLED_FLAG
EAM Organization	MAINT_ORGANIZATION_ID
Quality Skipping Inspection Control	QA_SKIPPING_INSP_FLAG
Material Overhead Sub-Element	DEFAULT_MATL_OVHD_COST_ID
Distributed Organization	DISTRIBUTED_ORGANIZATION_FLAG
Carrier Manifesting Organization	CARRIER_MANIFESTING_FLAG

### Setup Group Name: Purchasing Options

Application: PO

Table Name: PO\_System\_Parameters\_All

Setup Parameter Name	Column Name
Expense AP Accrual Account	ACCRUED_CODE_COMBINATION_ID
Price Tolerance Percentage	PRICE_CHANGE_ALLOWANCE
REQ_CAN_AUTHORIZE	REQ_CAN_AUTHORIZE
INSPECTION_REQUIRED_FLAG	INSPECTION_REQUIRED_FLAG
Enforce Price Tolerance Percentage	ENFORCE_PRICE_CHANGE_ALLOWANCE
Rate Type	DEFAULT_RATE_TYPE
TAXABLE_FLAG	TAXABLE_FLAG
Quotation Number Entry	USER_DEFINED_QUOTE_NUM_CODE
Quotation Number Type	MANUAL_QUOTE_NUM_TYPE
RFQ Number Entry	USER_DEFINED_RFQ_NUM_CODE

Setup Parameter Name	Column Name
RFQ Number Type	MANUAL_RFQ_NUM_TYPE
PO Number Entry	USER_DEFINED_PO_NUM_CODE
PO Number Type	MANUAL_PO_NUM_TYPE
Requisition Number Entry	USER_DEFINED_REQ_NUM_CODE
Requisition Number Type	MANUAL_REQ_NUM_TYPE
Quote Warning Delay	DEFAULT_QUOTE_WARNING_DELAY
Enforce Buyer Name	ENFORCE_BUYER_NAME_FLAG
Enforce Vendor Hold	ENFORCE_VENDOR_HOLD_FLAG
Notify if Blanket PO Exists	NOTIFY_IF_BLANKET_FLAG
RFQ Required	RFQ_REQUIRED_FLAG
Line Type	LINE_TYPE_ID
Allow Item Description Update	ALLOW_ITEM_DESC_UPDATE_FLAG
Display Disposition Messages	DISPOSITION_WARNING_FLAG
Enforce Full Lot Quantity	ENFORCE_FULL_LOT_QUANTITIES
Minimum Release Amount	MIN_RELEASE_AMOUNT
Price Type	PRICE_TYPE_LOOKUP_CODE
Price Break Type	PRICE_BREAK_LOOKUP_CODE
Receipt Close Point	RECEIVE_CLOSE_CODE
Invoice Close %	INVOICE_CLOSE_TOLERANCE
Receipt Close %	RECEIVE_CLOSE_TOLERANCE

Setup Parameter Name	Column Name
Cancel Requisitions	CANCEL_REQS_ON_PO_CANCEL_FLAG
Requisition Import Group-By	REQIMPORT_GROUP_BY_CODE
Accrue Expense Items	EXPENSE_ACCRUAL_CODE
Accrue Inventory Items	INVENTORY_ACCRUAL_CODE
Order Type	ORDER_TYPE_ID
Order Source	ORDER_SOURCE_ID
Tax Default - Ship-To Location	TAX_FROM_SHIP_TO_LOC_FLAG
Tax Default - Item	TAX_FROM_ITEM_FLAG
Tax Default - Supplier	TAX_FROM_VENDOR_FLAG
Tax Default - Supplier Site	TAX_FROM_VENDOR_SITE_FLAG
Tax Default - Financial Options	TAX_FROM_SYSTEM_FLAG
Tax Default - Ship-To Location Hierarchy	TAX_HIER_SHIP_TO_LOC
Tax Default - Item Hierarchy	TAX_HIER_ITEM
Tax Default - Supplier Hierarchy	TAX_HIER_VENDOR
Tax Default - Supplier Site Hierarchy	TAX_HIER_VENDOR_SITE
Tax Default - Financial Options Hierarchy	TAX_HIER_SYSTEM
Enforce Price Tolerance Amount	ENFORCE_PRICE_CHANGE_AMOUNT
Price Tolerance Amount	PRICE_CHANGE_AMOUNT

## Setup Group Name: Receiving Options

Application: PO

Table Name: Rcv\_Parameters

Setup Parameter Name	Column Name
Over Receipt Tolerance %	QTY_RCV_TOLERANCE
Over Receipt Action	QTY_RCV_EXCEPTION_CODE
Enforce Ship-To	ENFORCE_SHIP_TO_LOCATION_CODE
Allow Express Transactions	ALLOW_EXPRESS_DELIVERY_FLAG
Receipt Date - Days Early	DAYS_EARLY_RECEIPT_ALLOWED
Receipt Date - Days Late	DAYS_LATE_RECEIPT_ALLOWED
Receipt Date - Action	RECEIPT_DAYS_EXCEPTION_CODE
Receipt Routing	RECEIVING_ROUTING_ID
Allow Substitute Receipts	ALLOW_SUBSTITUTE_RECEIPTS_FLAG
Allow Unordered Receipts	ALLOW_UNORDERED_RECEIPTS_FLAG
Allow Bind Receiving	BLIND_RECEIVING_FLAG
Receiving Inventory Account	RECEIVING_ACCOUNT_ID
Allow Cascade Transactions	ALLOW_CASCADE_TRANSACTIONS
ASN Control Action	RECEIPT_ASN_EXISTS_CODE
Receipt Number Action	USER_DEFINED_RECEIPT_NUM_CODE
Receipt Number Type	MANUAL_RECEIPT_NUM_TYPE

## Setup Group Name: Shipping Parameters

Application: WSH

Table Name: Wsh\_Shipping\_Parameters



<b>Setup Parameter Name</b>	<b>Column Name</b>
Goods Dispatched Account	GOODS_DISPATCHED_ACCOUNT
Weight UOM Class	WEIGHT_UOM_CLASS
Volume UOM Class	VOLUME_UOM_CLASS
Weight / Volume Calculation	WEIGHT_VOLUME_FLAG
Container Inventory Control	INV_CONTROLS_CONTAINER_FLAG
Percent Fill Basis	PERCENT_FILL_BASIS_FLAG
Default Delivery Document Set	DELIVERY_REPORT_SET_ID
Release Sequence Rule	PICK_SEQUENCE_RULE_ID
Pick Slip Grouping Rule	PICK_GROUPING_RULE_ID
Print Pick Slip	PRINT_PICK_SLIP_MODE
Default Pick Release Document Set	PICK_RELEASE_REPORT_SET_ID
Autocreate Delivery Criteria	AUTOCREATE_DEL_ORDERS_FLAG
Default Stage Subinventory	DEFAULT_STAGE_SUBINVENTORY
Default Stage Locator	DEFAULT_STAGE_LOCATOR_ID
Auto Allocate	AUTODETAIL_PR_FLAG
Enforce Packing in Containers	ENFORCE_PACKING_FLAG
Group Delivery by Customer	GROUP_BY_CUSTOMER_FLAG
Group Delivery by FOB Code	GROUP_BY_FOB_FLAG
Group Delivery by Freight Terms	GROUP_BY_FREIGHT_TERMS_FLAG
Group Delivery by Intermediate Ship To Location	GROUP_BY_INTMED_SHIP_TO_FLAG

Setup Parameter Name	Column Name
Group Delivery by Ship Method	GROUP_BY_SHIP_METHOD_FLAG
Number of Pick Slip Lines	PICK_SLIP_LINES
Autocreate Deliveries	AUTOCREATE_DELIVERIES_FLAG
Freight Class Category Set	FREIGHT_CLASS_CAT_SET_ID
Commodity Code Category Set	COMMODITY_CODE_CAT_SET_ID
Enforce Ship Sets and Ship Models	ENFORCE_SHIP_SET_AND_SMC
Defer Interface	DEFER_INTERFACE
Enforce Ship Method	ENFORCE_SHIP_METHOD
Allow Future Ship Date	ALLOW_FUTURE_SHIP_DATE
Secondary Export Country Screening	ITM_ADDITIONAL_COUNTRY_CODE
Auto Select Carrier	AUTO_SELECT_CARRIER
Ship Confirm Rule	SHIP_CONFIRM_RULE_ID
Autopack Delivery	AUTOPACK_LEVEL
Plan Tasks	TASK_PLANNING_FLAG

## Setup Group Name: Assets System Controls

Application: FA

Table Name: Fa\_System\_Controls

Setup Parameter Name	Column Name
Enterprise Name	COMPANY_NAME
Oldest Date Placed In Service	DATE_PLACED_IN_SERVICE

Setup Parameter Name	Column Name
Starting Asset Number	INITIAL_ASSET_ID
Location Flexfield	LOCATION_FLEX_STRUCTURE
Category Flexfield	CATEGORY_FLEX_STRUCTURE
Asset Key Flexfield	ASSET_KEY_FLEX_STRUCTURE
Accept Assets With Start Date Before Parent	CUA_INHERITANCE_FLAG

### Setup Group Name: Federal Options

Application: FV

Table Name: Fv\_Federal\_Options

Setup Parameter Name	Column Name
Asset Discount Transaction Code	DISC_TRAN_CODE_ASSET
Expense Discount Transaction Code	DISC_TRAN_CODE_EXPENSE

### Setup Group Name: Federal System Parameters

Application: FV

Table Name: Fv\_System\_Parameters

Setup Parameter Name	Column Name
Customer Trading Partner	FACTSI_CUSTOMER_ATTRIBUTE
Vendor Trading Partner	FACTSI_VENDOR_ATTRIBUTE
Adjustment Status	REP_2209_ATTRIBUTE
Journal Trading Partner	FACTSI_JOURNAL_ATTRIBUTE

Setup Parameter Name	Column Name
Project Accounting Accomplished Date	SF224_ACCOMPLISH_DATE
Public Law Code	FACTSII_PUB_LAW_CODE_ATTRIBUTE
Advance Type	FACTSII_ADVANCE_TYPE_ATTRIBUTE
Transfer - Main Account	FACTSII_TR_MAIN_ACCT_ATTRIBUTE
Transfer - Department ID	FACTSII_TR_DEPT_ID_ATTRIBUTE
Requisition Transaction Date	REQ_DATE_SEG
Purchase Order Transaction Date	PUR_ORDER_DATE_SEG
Receiving Transaction Date	REC_TRXN_DATE_SEG
Adjustment To Invoice Paid In Prior Year	PYA_INVOICE_ATTRIBUTE